



## Iran Plans a Vast Nuclear Buildup But Top Official Denies Any Intent to Develop Weapons

By Elaine Sciolino  
New York Times Service

TEHRAN — Iran's top nuclear official says that his country intends to build about 10 nuclear power plants in the next two decades, but denies accusations by the United States that Iran is trying to develop nuclear weapons.

The official, Reza Amrollahi, also said that last year he signed a formal contract with China for two nuclear power reactors and that Chinese experts had completed a feasibility study and had begun to draw up blueprints and engineering reports for a site in southern Iran.

Iran has already made a "down payment" for the project, which will cost \$800 million to \$900 million and involve training by Chinese, said Mr. Amrollahi, director of Iran's Atomic Energy Organization.

Although the United States has doubted that China is capable of building the reactors on its own because the original model included parts from Germany and Japan, Mr. Amrollahi said the Chinese now be-

lieve that they have successfully duplicated the technology.

The United States has led a global campaign to prevent Iran from receiving any nuclear technology because of its suspected weapons program. Mr. Amrollahi's statements suggest that the agreement with China is much further along than was previously known, and that Iran is planning a vast long-range nuclear energy program.

[On Sunday, Leon E. Panetta, the White House chief of staff, said Secretary of State Warren M. Christopher had conveyed to the Chinese his "great concern" over sales of nuclear technology to Iran.

"We have begun the process of trying to put pressure on them to move away from this deal," Mr. Panetta said in a broadcast interview.

[He said the White House would continue to put pressure on both Moscow and Beijing to back off and added, "Understand: This is not acceptable for them to sell nuclear technology to the Iranians."

In addition to its oil reserves Iran has the second largest natural gas reserves in

the world. Natural gas is much cheaper to develop than nuclear energy, which makes U.S. officials suspect that Iran wants nuclear power for a weapons program.

In a clear attempt to answer charges that Iran is developing nuclear weapons, Mr. Amrollahi made his remarks in a two-and-a-half-hour interview at his agency's new six-story building. It is part of a sprawling complex in central Tehran that includes a small nuclear research reactor built for Iran by the United States in the late 1960s, when the monarchy was in power and the relationship with Washington was close.

Officials offered a brief tour of the complex, including a visit to a radio isotope laboratory for medical research, although they did not allow a tour of the reactor.

"In case we get enough money, in case we have enough trained people, we have a plan to take 20 years to get 20 percent of our energy from nuclear," Mr. Amrollahi said. Asked if that could mean about 10 reactors, he said, "Something like that." That number is higher than what Iran had

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## U.S. Risks Grow in Balkan Quagmire

By Michael Dobbs  
Washington Post Service

WASHINGTON — For four years, the United States has sought to keep out of the war in the former Yugoslavia by encouraging Europe and the United Nations to take the lead.

But with the UN peacekeeping mission seeming on the brink of collapse, Washington could be closer than ever to being dragged into the war.

Contingency plans drawn up by the Pentagon envision the dispatch of up to 40,000 NATO ground troops, half of

them American, to assist in any evacuation effort opposed by the warring factions.

Last week, the United States threatened to retaliate against rebel Serbs who fired rockets into the Croatian capital.

### NEWS ANALYSIS

Zagreb, narrowly missing several U.S. facilities. A senior administration official said a "very strong message" had been sent to the so-called Krajina Serbs, who control 20 percent of Croatia. The official said Washington was prepared to

take "unilateral measures" to defend American personnel in Croatia.

Talk about the possibility of sending U.S. ground troops to rescue peacekeepers is not new. But it has assumed additional urgency because of the brazenness of attacks on UN positions and "safe areas." The incoming French government of Jacques Chirac is threatening to pull out its peacekeepers, a step that would almost certainly lead to withdrawal of the entire UN force in Bosnia and Croatia.

"The UN mandate is collapsing," said

See WAR, Page 6

## Tottering Hopes in Mostar's 'Wild West'

By John Pomfret  
Washington Post Service

MOSTAR, Bosnia-Herzegovina — On Good Friday, after a long night of fighting, a multiple murder and too much drink, somebody drove up to the VukoWar Café and rearranged its architecture with a rocket-propelled grenade.

The explosion rocked King Tomislav Street — a strip of chrome-filled cafés where the Croatian clientele is young, armed and aimless. Glass spilled out onto the sidewalk, bottles of José Cuervo, Kahua and Johnnie Walker Red mingled on the floor. The shock waves emptied the streets. Another gang war loomed.

The shoot-out at the VukoWar is typical of life in the Croatian-held side of Mostar, Bosnia's second-largest city and capital of the southern region of Herzegovina. A lawless combination of Dodge City and "Mad Max Beyond Thunderdome," the Croatian half of the city is run by armed gangsters who mix dreams of an ethnically pure Croatian state with black marketeering and extortion.

"All that's missing is the tumbleweed," said Charles Kosak, an American aid worker here.



The violence and corruption would be of little concern if not for two things. First, the Croatian politicians enriched by this activity are endangering the sole diplomatic success of the three-year-old war in Bosnia: a U.S.-brokered federation uniting the Muslims and Croats of Bosnia that was set up in March 1994 after a year of fighting between the two groups.

Second, the European Union began administering Mostar last summer.

Western officials say the inability of a foreign police force of 150 men, more than 40 European experts and \$140 million in aid to deal with the thugs is a bad precedent for further EU initiatives in the international arena.

If the federation falters, these officials say, then hopes of preserving Bosnia as a unified state will end. Croatia will absorb the Croatian-dominated communities that lie along its borders in southwestern Bosnia; Serbia will undoubtedly soak up the Serbian-controlled territory along its flank in the east. All that will be left for the Muslims will be a chunk of land in Bosnia's center.

With the end of the four-month, much-flouted Bosnian truce between Muslims and Serbs, the strength of the federation is being tested. If the Serbs, as promised, launch a counterattack to parry recent Muslim military gains, more Muslim civilians could be forced from their homes and into areas already crowded with displaced Croats and Muslims. Unless Croatian-Muslim ties are stronger, officials say, another influx of battered people could doom what many see as united Bosnia's last chance.

Mostar, which straddles the Neretva

See MOSTAR, Page 6

## Religious Leaders Gear Up For Battle on Gene Patents

By Edmund L. Andrews  
New York Times Service

WASHINGTON — Opening what could be a passionate new battle over religion and science, many mainstream religious leaders are about to start a campaign against a financial pillar of the biotechnology industry: the ability to patent human genes and genetically engineered animals.

Leaders from virtually every major religion in the United States plan to issue a joint statement this week asking the government to prohibit the current patenting practices for genetic engineering.

To do so would reverse a 15-year policy that industry executives say was crucial to the birth of commercial biotechnology.

The statement has been signed by religious leaders across the political and cultural spectrum: roughly 100 Catholic bishops, numerous Protestant and Jewish leaders and groups of American Muslims, Hindus and Buddhists.

"This issue is going to dwarf the pro-life debate within a few years," said Richard Land, head of the Christian Life Commission of the Southern Baptist Convention.

"I think we're on the threshold of mind-bending debates about the nature of human life and animal life," he added. "We see altering life forms, creating new life

forms, as a revolt against the sovereignty of God and an attempt to be God."

On the other side, biotechnology companies typically view patents as a life-or-death issue. Had it not been possible to patent human genes, they say, thousands of patients already would have been denied life-saving drugs.

A number of the religious leaders interviewed last week said that they were not opposing genetic engineering or biotechnology itself on religious grounds. Rather, they said they were opposed to the patenting of human genes or organisms. That, they said, violates the sanctity of human life and reduces what some call the "blueprint of evolution" to a marketable commodity.

But biotechnology companies responded that, in practical terms, opposing patenting amounts to opposing genetic engineering. They said the patents — which grant companies exclusive rights to manufacture or sell inventions for 17 years — have been crucial to their ability to raise capital.

Many of the religious leaders participating in the campaign said they were also alarmed about future commercial prospects: companies that own the rights to genes used in tests to detect breast cancer or to genes that could be inserted into embryos to create "designer children."

"One of the basic principles of our church is that life is a gift from God," said Bishop Kenneth Carder, who is in charge of the United Methodist Church's committee on genetic science. "The patenting of life forms reduces life to its marketability."

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VOTING — Belarus soldiers filling in ballots Sunday in Minsk for the country's first postcommunist elections and a referendum on Russian ties.

### AGENDA

#### Menem Takes Lead in Argentina Vote

BUENOS AIRES (Reuters) — Early television exit polls showed President Carlos Menem of Argentina winning a second term of office in elections Sunday.

One poll, for Telefe television, gave Mr. Menem 46 percent of the vote versus 32 percent for his closest rival, José Octavio Bordón of the center-left Frepaso coalition. Another, for Arca Channel 13, gave the president 47.7 percent, against 34.2 percent for Mr. Bordón.

To win re-election without a runoff, Mr. Menem needs 45 percent of the vote or 40 percent with a lead of at least 10 percentage points over the runner-up.

#### PAGE TWO Inferno in Kashmir

#### ASIA Fraud Charges in Marcos Vote

#### BUSINESS/FINANCE U.S. Set to Pull Tariff Trigger

Opinion Page 8, Sports Pages 15-17, Books Page 7, Crossword Page 9.



Team New Zealand crew members drinking champagne from the 144-year-old America's Cup, sailing's biggest prize, after beating the U.S. team off San Diego.

## In New Zealand, a National Party for an Old Silver Cup

The Associated Press

AUCKLAND, New Zealand — Wearing lucky red socks and grins from ear to ear, euphoric Kiwis staged a national party Sunday to celebrate Team New Zealand's stunning 5-0 sweep in the America's Cup finals to win yachting's grandest prize.

It was early Sunday in New Zealand when the final race was held off San Diego. Bacon and eggs were washed down by champagne and beer in homes, restaurants and pubs, and thousands cheered as Black Magic 1 dashed to the finish line well clear of Dennis Conner's Young America.

One radio station suggested that the entire crew should be knighted.

Preachers interrupted church services with updates. Jetliner pilots announced the result to passengers.

"Conner is a Goner" read a sign in a packed bar on Auckland's waterfront. Outside, thousands watched the victory, live on a giant television screen.

New Zealand flags waved as members of the crowd sprayed each other with champagne. Boats on the water blew their horns as did cars on downtown streets.

The silver ewer's new home, the Royal

New Zealand Yacht Squadron's clubhouse, was packed with ecstatic members.

"This is the biggest party we've ever had," said a club official, Ian Stewart. "Now we have to decide where to put the trophy."

Sailing is not a rich man's sport in New Zealand, where the sea is never more than 60 miles (100 kilometers) away. Auckland has one of the world's highest per capita boat ownership rates.

But few boats were out Sunday morning, since most sailors are watching the race on television.

## Kohl's Allies Lose Heavily In Elections In Germany

### Free Democrats Fail To Make Legislatures in 2 States, Exit Polls Show

Compiled by Our Staff From Dispatches

BONN — The embattled Free Democrats, junior partners in Chancellor Helmut Kohl's government, suffered embarrassing setbacks in two state elections on Sunday, according to exit polls.

The Social Democrats, in opposition in Bonn but in power in the states of North Rhine-Westphalia and Bremen, slipped in both states but appeared on course to form coalitions with the big winners, the environmentalist Greens.

Mr. Kohl's Christian Democrats advanced slightly in North Rhine-Westphalia, Germany's most populous state, and in the small city-state of Bremen.

The centrist Free Democrats, suffering from a lack of a clear identity after 12 years alongside Mr. Kohl in Bonn's center-right government, failed to win the minimum 5 percent of the vote needed for a presence in the legislatures of the two states.

Party leaders said this would not undermine Foreign Minister Klaus Kinkel's status as Free Democratic Party chairman and played down questions of how reliable a partner it was for Mr. Kohl's government, which has a slim 10-seat majority.

"Klaus Kinkel is party chairman and will remain party chairman," the Free Democrats' secretary-general, Guido Westerwelle, said.

Provisional final results showed that the Social Democrats slipped to 46 percent in North Rhine-Westphalia from 50 percent in the 1990 state election. The Christian Democrats edged up to 37.7 percent from 36.7 percent in 1990, while the Free Democrats scored 4 percent, down from 5.8.

The Greens doubled their vote to 10 percent, a strong showing in such a big state and another sign they are taking over from the Free Democrats as the third force in German politics.

In Bremen, the Social Democrats' share fell to 34 percent from 38.8 in the last state election in 1991. The Christian Democrats won 32.6 percent, up from 30.7, and the Free Democrats only 3.4 percent, down from 9.5. The Greens won 13.1 percent, improving on their 1991 score of 11.4.

The local Social Democratic Party was badly hit by Work for Bremen, a splintered group of right-wing former Social Democrats in cratic Party members who won 10.7 percent of the votes. The extreme right-wing German People's Union, which won 6.2 percent in 1991, tallied only 2.5 percent.

Free Democratic officials were downcast, cast as exit poll results came in Sunday. The disappointed that their goals of outgunning taxes and championing civil liberties had failed to win votes.

"We can't just go back to business as usual," said Joachim Schultz-Tornau, Free Democrat leader in North Rhine-Westphalia. "This is the biggest state."

The party was eliminated from nine of state assemblies and the European Parliament before finally clearing the minimum-vote hurdle in October's general election.

(Reuters, AP)

Newstand Prices	
Andorra.....	9.00 FF
Antilles.....	11.20 FF
Cameroon.....	1.400 CFA
Egypt.....	2.500 E.P.
France.....	9.00 FF
Gabon.....	960 CFA
Greece.....	350 Dr.
Italy.....	2,600 Lire
Ivory Coast.....	1,120 CFA
Jordan.....	1 JD
Lebanon.....	US\$ 1.50
Luxembourg.....	80 L. Fr
Morocco.....	19 Dh
Qatar.....	8.00 Rials
Saudi Arabia.....	11.20 FF
Senegal.....	960 CFA
Spain.....	225 Ptas
Turkey.....	1,250 Dr.
U.A.E.....	45,000 Dirhams
U.S. (Eur.).....	\$1.10



## *India's Hopes for Its Muslim State Lie in Ashes*

Nearly 35 rebels were killed last week in



Nearly 120 schools, government buildings and private homes — as well as three Hindu temples — have been set on fire by protesters since the shrine was burned.

**Afghan citizen who fought with Muslim resistance groups against Soviet forces in Afghanistan.**

that's happened in Kashmir, India has no credibility here anymore, so rightly or wrongly the people are going to believe that it was the army that destroyed the town."

Nearly 35 rebels were killed last week in

Nearly 120 schools, government buildings and private homes — as well as three Hindu temples — have been set on fire by protesters since the shrine was burned.

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Some Israeli politicians and commentators viewed his

The United Nations Security Council began debating the Is-

beyond the present Gaza and Jericho, on the West Bank.

criticized the Israelis in this matter.

war, including eastern areas that had been in Jordanian hands.

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**SATURDAY:** Cameroon. *Sources: J.P. Moreau, Reuters.*

CUT ALONG THE DOTTED LINE

[illegible]



## THE AMERICAS

# Drifter Questioned On Bomb Attack

## Man Held on Weapons Count Knew Oklahoma City Suspect

By Seth Mydans  
New York Times Service

PHOENIX, Arizona — An armed drifter arrested on federal weapons charges has told investigators that he knew Timothy J. McVeigh, one of two men charged with the bombing of the Oklahoma federal building. But so far, investigators say, they have turned up nothing to link him to the plot.

Federal agents searched his trailer home and found several firearms and a methamphetamine laboratory.

The admission by the drifter, Steven G. Colbern, that he knew Mr. McVeigh under his alias, Tim Tuttle, has prompted investigators to closely question Mr. Colbern.

But he has denied knowing anything about the attack, and officials said their preliminary inquiry had led them to conclude that he probably had no role in the Oklahoma City bombing.

In a brief hearing on Saturday at the federal courthouse in Phoenix, Mr. Colbern was charged with being a fugitive from justice on an outstanding weapons charge in California and with resisting arrest when he was seized Friday in a small Arizona mining town.

After U.S. Attorney Janet Napolitano said that the government did not want Mr. Colbern released on bail, Magistrate Barry Silverman said that the issue of continuing his detention would be addressed at a hearing on Tuesday.

Ms. Napolitano declined to comment on any connection between Mr. Colbern's arrest and the Oklahoma City bombing.

Mr. Colbern, 35, a laboratory research assistant from Oxnard, California, who holds a degree in chemistry and is described as a survivalist, was arrested in the high desert mining town of Oatman in northeastern Arizona.

The authorities said their interest in Mr. Colbern stemmed from a series of possible links to Mr. McVeigh, one of two men arrested in the April 19 bombing that killed 167 people and a rescue worker.

Mr. Colbern was arrested after a brief struggle with U.S.

marshals. Residents of Oatman said that he had lived there for about four months, working as a dishwasher and cook's assistant. Federal authorities described Mr. Colbern as a gun-lover who may have known Mr. McVeigh because both men shared a fondness for weapons.

The authorities said that a letter found among Mr. McVeigh's possessions was addressed to someone with the initials S.C., and that they had placed Mr. Colbern in Oatman, about 20 miles (30 kilometers) from Kingman, Arizona, where Mr. McVeigh had periodically stayed.

Daryl Warren, a restaurant owner in Oatman, said that Mr. Colbern had expressed anti-government and pro-Nazi sympathies.



Federal marshals taking Steven G. Colbern into custody in Oatman, Arizona. He was later charged with resisting arrest.

# Americans Express High Anxiety Over Militias

By Dirk Johnson  
New York Times Service

LOMBARD, Illinois — It is the season of lilacs and Little League in this middle-class Chicago suburb. Radio Flyer wagons roll down sidewalks. At the train station, commuters clutch briefcases hurry home for a barbecue. Down at the ice cream stand on Main Street, customers relax on sun-dappled benches.

And over at the bowling alley, one of the far-right groups that call themselves militias meets twice a month.

"You think that all these groups are living out in the middle of nowhere," said Matt Tabbert, a special education teacher here. "And then you find out they're meeting twice a month over at Lombard Lanes. And you say, 'Now wait just a minute, this is scary!'"

His wife, Vickie, a school administrator, put in: "You wonder if you know who these people are, if they're working with you, living in your neighborhood. It's really kind of creepy, thinking that they're part of the mainstream."

Nearly a month after the Oklahoma City bombing, the

shock of domestic terrorism has given way to fretful wonder among Americans about the shadowy groups that gather to rail against a government they see as hostile.

Interviews with about 100 people around the country in recent days found deep anxiety among most of them over the militias, whose existence was not widely recognized until after the attack in Oklahoma.

However they might grouse about politicians, people in the wake of the bombing seemed to be especially careful to draw a distinction between frustration with given policies and antipathy toward the institutions of American government.

"Listen, I don't like to pay my taxes either, but the government isn't hardly my enemy," said Dee Fisher, a hotel sales manager in Omaha, Nebraska. "I'm worried about these groups. You get enough of these disgruntled people together, and you've got real trouble. I'm afraid Oklahoma City was just the beginning of what we're going to see."

But although the vast majority seemed to deplore the militias, often describing them as "kooks" more than a few, while maintaining that they did not

condone violence, spoke up for the groups as a bulwark against gun control, restrictive land-use policies and a general intensifying of power in Washington.

"The militias aren't such a bad idea," Grog Hayden, an electronics technician who owns about half a dozen firearms, said as he sipped coffee at a cafe in Hollis, New Hampshire. "The founders of our

country didn't trust the government either, and our government now is taking away our rights, one by one."

A few tables away, Paul Hill, a retired aircraft mechanic who collects Social Security benefits and receives treatment for a heart ailment at a Veterans Affairs hospital, complained of the "Gestapo mentality" of a federal government that has "turned on its own people."

Mr. Hill said, "I'm a patriotic reaction to tyranny. People can see the handwriting on the wall." He said, "It

smells like what happened in Germany."

Listening the Reverend John Terry shook his head in dismay. "We're living in a very negative and angry time," said Mr. Terry, who is on sabbatical from the Hollis Congregational church. "Maybe it's that the great American dream just isn't happening for a lot of people. I don't know. But I find it trou-

bling that there are militias in New Hampshire, that there are people in this town who belong to them."

Barbara Corman, a technical writer who was sitting in the cafe, said she shuddered when she heard such talk.

"I'm Jewish, so there's that extra fear," she said. "Where is all this anger coming from? I don't have a clue. And I'm not sure what we can do about it, either. If you violate the free speech of the right wing, you're violating free speech for everybody."

Nick Boorman, an engineer on a plane bound for Seattle, said he had always dismissed the "macho talk" he heard on job sites as nothing more than bravado.

"But now you can see what can really happen," he said, "and you wonder just a little bit. Could this guy really be involved in something dangerous? It scares you."

Outside the bricklayers union hall in working-class South Boston, Stephen Moran, a tunnel digger, said he was not about to brook anti-government talk.

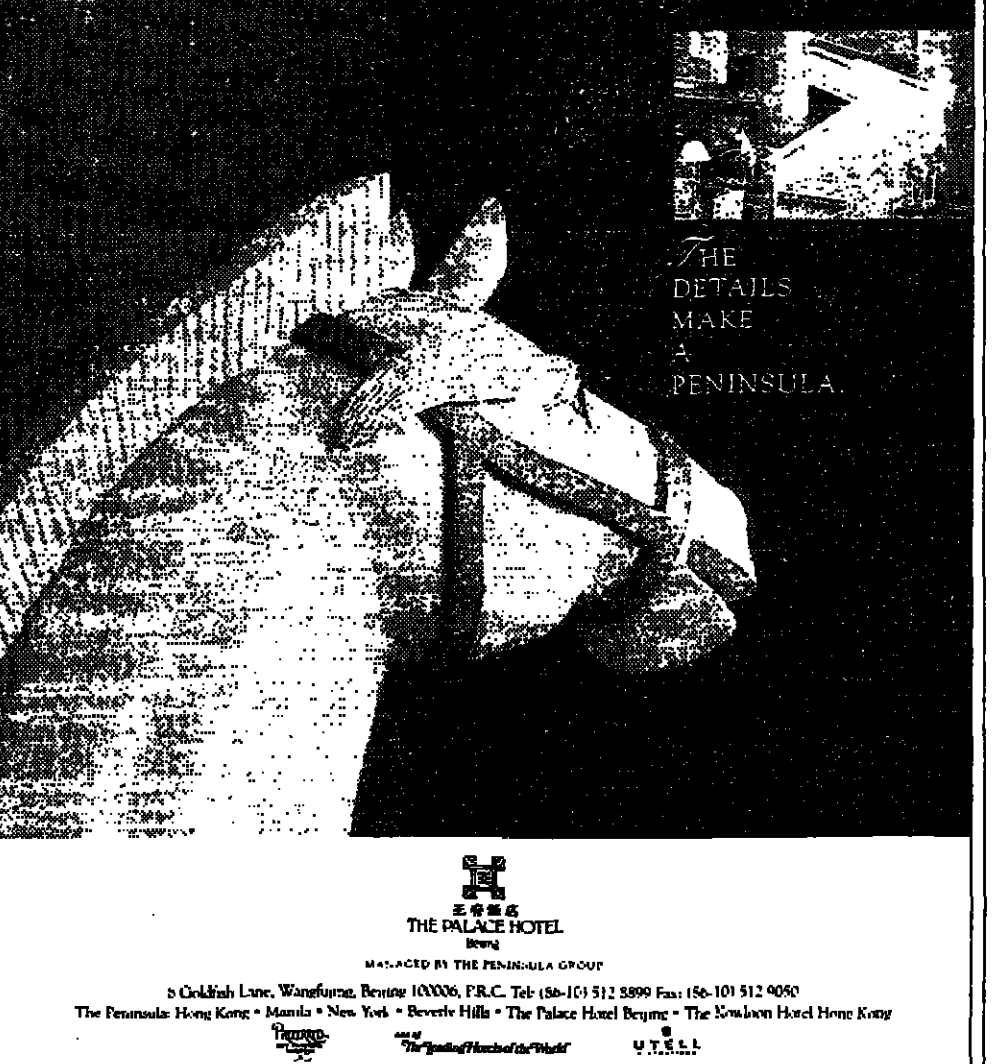
"These militia people don't like the way things are in America, then move," he said. Most people interviewed seemed reluctant to look for a connection between the militias and the nation's move toward conservatism. Nor did they seem to think that radio talk-show hosts, however inflammatory, were stirring action against the government.

"When it comes to something like Oklahoma City and these militias, we're not Democrats or Republicans, we're Americans," said Eddie Taylor, a mortgage banker taking a lunch break in a downtown Houston park and perusing a book titled "How to Raise Millions."

If anything, he said, the rise of the militia movement had to do with a weakening of the moral underpinnings of society.

"It's like the gangs," he said. "You've got all these young people who had no support at home, not knowing quite how they fit in, looking for something to belong to and looking for something to blame their problems on."

But who did he really want? "I think he was for Dole," Mr. Stone said. "Nixon was a believer in the order of things — and I think he believed it was finally Dole's turn."



## POLITICAL NOTES

# Clinton Rejects Deadline on Deficit

WASHINGTON — The White House chief of staff, Leon E. Panetta, said Sunday that the Clinton administration would support an attempt to balance the budget but that it would not be bound by the Republican timetable of eliminating the deficit by 2002 and would insist that the tax-cut plan put forward by House Republicans be drastically scaled back. "Our approach is we would be willing to agree to a deficit reduction path that brings us to balance, but we shouldn't just focus on a specific date," he said in a CBS television interview.

Mr. Panetta said that the Republicans had "basically grabbed a date out of the air" in drafting plans for balancing the budget by 2002 "and now everything has to fit into it."

"This is a numbers game, as far as the Republicans are concerned," he said. "You don't let the date set policy. Policy should set the date."

The House and Senate will begin this week to debate Republican budget proposals to eliminate the deficit within seven years by dismantling hundreds of federal agencies and programs, slashing foreign aid and dramatically slowing the rate of growth of Medicare and Medicaid, the health care programs for the elderly and the poor. (WFP)

# Special Counsel Defends His Work

WASHINGTON — Kenneth W. Starr, the independent counsel who is investigating the personal and political financial dealings of President Bill Clinton and his wife, has defended how he is going about his work.

In a commencement speech Saturday at the Duke University Law School in Durham, North Carolina, Mr. Starr said that he was subjecting the investigation into the Whitewater real estate deal of the Clintons and surrounding matters to strict controls. The theme of his speech was accountability.

Mr. Starr said, "What we are doing in Little Rock and Washington in our investigation is our effort to respond to the enduring need for accountability." As examples of his accountability, he cited his hiring of experienced prosecutors and his reliance for ethical guidance on Sam Dash, a prosecutor during the Watergate hearings. He also said he was following Justice Department guidelines when dealing with witnesses and deciding when to bring an indictment. (NYT)

# Moynihan to Weigh In on Welfare

WASHINGTON — After months in the background on an issue where his voice was long preeminent, Senator Daniel Patrick Moynihan says he will soon introduce a welfare bill that differs sharply from those proposed by the Clinton administration and its Republican foes.

The New York Democrat says he opposes Republican plans to eliminate the federal guarantee of a subsistence income for all who qualify and time limits on welfare benefits.

Mr. Moynihan's bill would increase spending on job training, job placement and child care for welfare recipients. He would require most welfare mothers under the age of 18 to live at home with their parents, and he would require recipients under 20 to attend school or participate in state-approved job programs. (NYT)

# Quote / Unquote

Senator Charles E. Grassley, Republican of Iowa, who favors a freeze on military spending until the Pentagon's payment system can be improved: "The defense budget is in financial chaos. The foundation of the defense budget is built on sand."

# Away From Politics

● An Air Guard C-130 transport plane crashed in Idaho while on a routine training mission, killing all seven crewmen aboard, a U.S. Defense Department spokesman said. Colonel Philip Coughter said the four-engine Hercules plane was from the 302d Tactical Air Wing of the National Guard, based at Peterson Air Force Base, near Denver. (Reuters)

● A man and three children drowned in a pond as they tried to swim away from their sinking paddle boat, authorities in Dallas, North Carolina, said. Two other children aboard the boat survived. The six had been playing in the water when they decided to take an old paddle boat they found into the pond. There were no life jackets on the boat. (AP)

● Tornadoes touched down in western and northern Indiana, killing two people inside a trailer home, officials said. The storms struck late Saturday and Sunday in Montgomery County, about 40 miles northwest of Indianapolis. (AP)

● The world's largest group of physicists, the American Physical Society, has taken a stance on a contentious public health issue by saying it can find no evidence that the electromagnetic fields that radiate from power lines cause cancer. The society said that groundless public fears about a possible link between power lines and cancer were diverting billions of dollars into mitigation work. (NYT)

# Nixon's Ghost Looms Over the '96 Republican Race

By Richard L. Berke  
New York Times Service

WASHINGTON — "Dying is no excuse: Nixon in '96." So announces the lapel button worn at a dinner this week by Roger Stone, a Republican strategist who was a confidant of Richard Nixon in the former president's later years.

No, Mr. Nixon is not about to stage another comeback, this one from the grave. Even Mr. Stone has moved on; he is running Senator Arlen Specter's campaign for the Republican presidential nomination.

But more than a year after his death, Mr. Nixon, who was a dominant force in Republican presidential politics for four decades, is unexpectedly looming over the party's 1996 race. A number of campaigns are engaged in a subtle yet unmistakable competition over who can claim his blessing to be the next Republican standard-bearer.

"It's a little bit strange because Nixon still has some real negatives attached to his image," said Gary Jacobson, a political science professor at the

University of California at San Diego. Perhaps, he said, the contenders want to claim that "the wise, wily old pro of the party tapped them" for the nomination.

The fiercest rivalry is between two longtime friends and protégés of Mr. Nixon's who delivered eulogies at his funeral: Senator Bob Dole of Kansas and Governor Pete Wilson of California.

Earlier this week, Mr. Nixon's intentions were the buzz in Republican circles when the Los Angeles Times published excerpts from letters that he wrote to Mr. Dole in his last few years. They encouraged the senator to run and offered advice on handling the party's right wing before the primaries — advice he seems to be taking.

"After 1994," Mr. Nixon wrote, "you will have no one who can defeat you if you run, or can win without you if you decide not to run."

As the Republican national chairman from 1971 to 1973, at the start of the Watergate scandal that would force Mr. Nixon from office, Mr. Dole was a staunch defender of the presi-

dent. But until these letters appeared, many people assumed that Mr. Nixon had favored Mr. Wilson for the nomination.

William Safire, a columnist for The New York Times, wrote on April 22, 1994, Mr. Nixon told him that Mr. Dole "has a good shot" in 1996. But he seemed to be more emphatic about Mr. Wilson's chances — if the governor was re-elected.

Mr. Safire quoted the former president as saying, "If Pete Wilson survives in California in '94, he will be nominated in '96 and will be a strong candidate."

The Dole letters surfaced in the L.A. Times in an effort to twist Pete Wilson, Mr. Stone said, "and I must say it was well done."

Indeed, Mr. Dole's advisers allowed that they were perfectly happy to see the letters published. "Despite his failings, people view Nixon as a strong president," said William B. Lacy, the Senate majority leader's deputy campaign chairman.

Asked about Mr. Nixon's prognostications about Mr. Dole's prospects, he added, "I

think Republicans especially would view him as being a good judge on things like that."

But nearly every Republican presidential hopeful can claim some connection to Mr. Nixon: ● Fans and some critics of Senator Richard G. Lugar of Indiana like to note that when he was mayor of Indianapolis, Mr. Lugar was known as "Nixon's favorite mayor."

● Mr. Nixon came within an eyelash of naming Mr. Specter to the Supreme Court.

● Patrick J. Buchanan, the commentator, was Mr. Nixon's communications director.

● Though he likes to gloss over his Washington credentials, former Governor Lamar Alexander of Tennessee worked in the Nixon White House.

Another contender, Senator Phil Gramm of Texas, cannot

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## ASIA

## Security Sweep in Tokyo Follows Bomb Attack at Airport

**TOKYO** — The Tokyo police mounted another huge security operation on Sunday after a pipe bomb exploded at Narita airport and as the police continued their investigation of the cult linked to the nerve gas attack on the city's subway system.

Special squads were at railroad and subway stations. Roadblocks stopped suspicious vehicles and police helicopters flew low-level patrols over shopping districts and other areas that attract large Sunday crowds.

The security clampdown was organized by a bomb exploded in a toilet at Tokyo's Narita airport on Saturday, causing damage but no injuries. But it came at a time when news organizations reported that the arrest of the leader of the Aum Shinrikyo cult, Shoko Asahara, was imminent over the March 20 attack on the Tokyo subway.

Patrols in railroad and subway stations removed all trash baskets over the weekend, and handwritten notices were posted, explaining that the measures had been taken to protect the public.

Other units were deployed around government offices and the Parliament. A bomb-disposal robot was positioned in the district.

Prime Minister Tomiichi Murayama approved the operation, considered urgent because of fears that cult members would carry out revenge attacks or even a mass suicide if their 40-year-old guru was detained.

Aum Shinrikyo spokesmen have denied responsibility for the nerve gas attack, which killed 12 people and injured approximately 5,500 others. But about 200 members of the cult are now in custody on unrelated charges, and the police reportedly are sure that Mr. Asahara personally ordered the use of the gas weapon.

The police are refusing to comment on the reports that Mr. Asahara could be arrested as early as Monday. He has not been seen since the attack, but the police reportedly believe he is in hiding at the sect's commune near Mount Fuji.

Government spokesmen have said that the investigation is reaching its final stages, adding to public expectations of an arrest soon.

In the bombing on Saturday, a steel tube full of ball bearings exploded in an airport toilet. The police said that a similar bomb was used in 1983 by a leftist group, the Revolutionary Labor Front, which opposed the expansion of the airport.

In the eight weeks since the subway attack, pressure has been growing on the police to make an arrest.

"The police and officials are applying the law," said a Justice Ministry official, defending the police action while admitting it had been slow. "They must find proof before detaining a suspect."

(AFP, WP)

## Chinese Minister Assures Neighbors

**BEIJING** — Foreign Minister Qian Qichen quoted Confucius and Mao Zedong on Sunday to reject allegations that an affluent China posed a threat to peace.

"China will never threaten or invade other countries," Mr. Qian said at an international forum here. "Instead, it will always be a positive factor for world peace and development."

His remarks came a day after Prime Minister Goh Chok Tong of Singapore warned the forum "China and Its Neighbors," that the growing military assertiveness accompanying China's economic growth had aroused deep unease in Southeast Asia.

Addressing anxieties over whether China will pose a threat to other countries when it is economically developed, Mr. Qian said: "The ancient Chinese philosopher Confucius once said: 'Do not do unto others that you do not like others to do unto you.'"

Mr. Goh said Beijing's increasing power and arms buildup had stirred anxiety, and he cited China's disputes with several countries in the region over areas of the South China Sea.

Mr. Qian tried to underline Beijing's desire for peace by stressing that a developing China was eager to build its economy and wanted to cooperate with the rest of the world to do so.

He said: "The late Chairman Mao Zedong once wrote in his poem: 'So many deeds cry out to be done, and always urgently; the world rolls on, time presses. Ten thousand years are too long, seize the day, seize the hour.'"

The foreign minister also asserted that China's relationship with the United States has improved.

Relations have long been rocky, he said, but the freeze that followed the crackdown on student-led protests in Beijing in 1989 has thawed and the two countries are trying to resolve their trade disputes.

"In the past year or more, thanks to the concerted efforts of both sides, progress has been made in Chinese-U.S. relations," he said. "High-level contacts have markedly increased."

Beijing and Washington averted a trade war in March when they reached agreement over U.S. demands that China crack down on infringements of intellectual-property rights that were costing U.S. businesses hundreds of millions of dollars in lost trade every year.

Mr. Qian also said that the two very different nations must work hard to understand each other and that some level of differences was inevitable, an oblique reference to continued U.S. concerns over the human-rights situation in China.



Mrs. Marcos, in Manila, displaying proof of her residency in Leyte Province to fight her disqualification from elections.

## Fraud Charges Surface in Philippines Vote

**MANILA** — Officials confirmed Sunday that they had discovered irregularities in national election returns from Marcos family strongholds, and Imelda R. Marcos warned of a "national disaster" if she and her son were denied seats in the Congress.

The Associated Press

She was running for a seat in the House and her son was running for the Senate.

With 60 percent of the precincts reporting from last Monday's balloting, the National Movement for Free Elections reported that by its unofficial count President Fidel V. Ramos's candidates led in 9 of the 12 Senate races.

But the Commission on Elections, conducting the official canvass, reported discrepancies of thousands of votes in tallies from Ilocos Norte, home province of the late President Ferdinand E. Marcos.

Statements from the provincial election commission showed that three candidates backed by the Ramos administration won up to 30,000 more votes than they were recorded as having received in statements from the province's towns.

The figures are supposed to match, and the chairman of the province's election commission was summoned to Manila to explain the discrepancies. Opposition politicians charged fraud.

Miriam Defensor Santiago, the top-performing opposition Senate candidate, said: "There is a massive fraud committed and being committed to ensure the victory of administration candidates."

Bishop Teodoro Bacani, spokesman for the Catholic

Bishops Conference of the Philippines and a critic of President Ramos, contended that government officials, whom he did not identify, spent more than \$15 million to rig the elections. He declined to elaborate.

Mrs. Marcos, widow of the late dictator, was leading the race for a seat in the House of Representatives from a district in Leyte Province. But election officials have disqualified her for not having lived in Leyte for the required one year. She has appealed to the Supreme Court and, pending the outcome of that appeal, she was allowed to run for the House.

Her son, Ferdinand E. Marcos Jr., was in 16th place in the Senate race.

Mrs. Marcos has accused unnamed persecutors of carrying out "all kinds of sinister plans" against her, but said the vote count was "a great source of fulfillment."

She said her son could lose only if there was massive fraud. "We are courting national disaster," she said. "It might be very painful to the country."

South Korean police booked 1,424 drunk drivers in a snap seven-hour crackdown on the nation's highways over the weekend, newspapers reported Sunday. Of those booked, 120 were arrested, 520 had their licenses revoked and the rest were fined. The Korea Times said.

A strong earthquake jolted East Timor on Sunday, reportedly injuring 20 people and badly damaging the harbor in the capital of Dili. The quake, with a magnitude of 5.6, was centered 35 kilometers (21 miles) offshore, beneath the Timor Sea.

## Protesters Encircle Okinawa Base

**TOKYO** — More than 13,000 people protested Sunday against U.S. military bases in Okinawa by forming a 14-kilometer human chain around one of them.

It was the third time protesters had formed a human chain around a U.S. base on the south Japanese island, some of them of the bloodiest fighting of World War II. They carried a different base in 1987 and 1990 to dramatize their demands for the return of land and the closing of bases that they regard as a hazard and a nuisance to nearby residential communities.

There was no trouble between protesters and U.S. troops. The protest was sponsored by the Okinawa Peace Movement Center, backed by labor unions affiliated with Prime Minister Tomiichi Murayama's Social Democratic Party, according to Zenshu Arakaki, a Socialist prefectural assemblyman.

(AP)

## U.S. Seizes 2 Japan Fishing Boats

**TOKYO** — The U.S. Coast Guard has seized two Japanese fishing boats in the Pacific Ocean for alleged illegal fishing in U.S. waters.

In a statement from Hawaii, Coast Guard authorities said the two boats were spotted Friday fishing 32 miles (52 kilometers) inside the U.S. exclusive economic zone near the Northern Mariana Islands, a U.S.-administered commonwealth.

"The masters aboard both vessels signed statements admitting they were fishing inside the area, which is off-limits to foreign fishing vessels," the Coast Guard said.

The Japanese Foreign Ministry confirmed that the boats were boarded and seized southeast of the Japanese island of Minami Iwo Jima.

Although such incidents are rare between the U.S. and Japan, the seizure took place in an area where Washington and Tokyo maintain overlapping 200-nautical-mile exclusive economic zone claims around their territories.

(Reuters)

## Forces Advancing, Kabul Asserts

**TEHRAN** — Afghan government forces have made further advances against the student-led Taliban movement, besieging a provincial capital in western Afghanistan, the official Iranian press agency, IRNA, said Sunday.

The agency, quoting Afghan government sources, said the forces were surrounding Zaranj, the capital of Nizari Province, after making significant gains Saturday.

The report said the joint forces of President Burhanuddin Rabbani and Governor Ismail Khan of Herat Province had taken over three regions in northern Nizari Province.

The agency said Saturday that government planes had attacked Taliban positions in Nizari and were marching on the province, prompting the Islamic militants to move their bases.

The government forces defeated Taliban forces in Farah Province in western Afghanistan last week, forcing them to withdraw to Nizari and Helmand provinces, Panjshir, Nuristan and Herat provinces all border Iran.

(AFP)

## For the Record

A weeklong heat wave in the Indian desert state of Rajasthan has left 13 people dead from sunstroke, the United News of India said Sunday. In some places, temperatures have reached 46 degrees centigrade (105 Fahrenheit).

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(AFP)

## VOICES From Asia

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(AP)

Qian Qichen, the Chinese foreign minister, on relations with the United States: "In the past year or more, thanks to the concerted efforts of both sides, progress has been made in Chinese-U.S. relations. High-level contacts have markedly increased."

(Reuters)

Qu Hongbin, China specialist with Smith New Orleans in Hong Kong, on the anti-corruption drive in China and its link to the aging leader Deng Xiaoping: "People were not expecting major changes after the old man dies, but with many things happening in Beijing, a lot are beginning to rethink this assessment."

(Bloomberg)

## Sri Lanka Claims Big Gains in Anti-Rebel Drive

**COLOMBO** — Government soldiers have killed at least 43 separatist Tamil guerrillas in sweeps through rebel bases in Sri Lanka's eastern jungles, the army said Sunday.

It said eight soldiers were killed and 15 were wounded in the fighting over the weekend, the guerrillas' worst defeat since they seized the initiative in the Sri Lankan civil war last month.

Army troops overran rebel bases Saturday and killed 28 guerrillas in the jungle near Trincomalee, 245 kilometers (150 miles) northeast of Colombo, the capital.

An additional 15 Tamil guerrillas were killed in the jungle north of Ponnalai, 125 miles east of Colombo, the military said.

More than 75 rebels were wounded in separate clashes as hundreds of soldiers scoured the jungles, the army said.

Its report could not be independently confirmed.

The rebels called off a three-week truce and withdrew from peace talks on April 19. Since then, they have intensified their

12-year battle for an independent homeland for minority Tamils in the north and east.

In the new offensive, the rebels have used anti-aircraft missiles for the first time and have shot down two military planes.

The rebels say the Tamils face discrimination by the majority Sinhalese, who control the government and the army. More than 34,000 people have died in the civil war, with more than 350 people killed in this new phase of fighting.

## Arthur Lubin, Hollywood Director, Is Dead

**NEW YORK** — Arthur Lubin, the Hollywood director whose more than 60 credits ranged from the 1943 remake of "Phantom of the Opera" to "Francis the Talking Mule" and its spinoff, the "Mr. Ed" television series of the 1960s, died Thursday at a nursing home in Glendale, California.

He was 96.

In 1949 Mr. Lubin managed to persuade skeptical studio executives that the American public, weary of war movies, was ready for a movie about an army mule who not only talked but talked back to generals.

The executives drove a hard bargain. Mr. Lubin, who had become enchanted by David Stern's novel about a talking mule responsible for an important army victory in Burma in World War II, was forced to forego a part of his fee and accept a percentage of the profits to win their backing.

When the low-budget "Francis the Talking Mule," starring Donald O'Connor, became a runaway success in 1949, Mr. Lubin brayed all the way to the bank six more times, and then, with Francis transmogri-

fied into a talking horse, transferred his success to television with the "Mr. Ed" series, starring Alan Young, from 1961 to 1965.

He also directed "Rhubarb," Ginger Rogers in "First Traveling Saleslady," Maureen O'Hara in "Lady Godiva" and Don Knotts in "The Incredible Mr. Limpet."

Mr. Belladonna, 72, Champion Bridge Player

had a new partner, Benito Garozzo, and new teammates. They won the Team Olympiad in 1972, and the Bermuda Bowl in 1973, 1974 and 1975. Mr. Belladonna collaborated with Mr. Garozzo in the development of the Super Precision System.

Arthur J. Hill, 46, Banker And Bush Cabinet Official

**NEW YORK (NYT)** — Arthur J. Hill, 46, a prominent Florida banker and securities executive who served the Bush administration as one of its highest-ranking African-American officials, was found dead of a heart attack Wednesday in his hotel room at the Newark Airport Hilton. Mr. Hill had attended a Republican Governors Association dinner at the hotel the night before.

At his death he managed the public financing branch of New York-based Prudential Securities Inc. in Boca Raton, Florida.

In 1989, President George Bush called him to Washington to head the Government National Mortgage Association. Later, he became the federal commissioner of housing in the Department of Housing and Urban Development.

A theatrical visionary, who was better known in Europe than in the United States, Mr. Abdo was the director of Dar al-Luz, a tribelike theater group based in New York and Los Angeles. For his young ensemble he devised five large-scale original productions between 1990 and 1994.

Jimmy Hanada, 83, Japan's top jazz drummer, died of stomach cancer Friday in a Tokyo hospital.

Jose Joya, 63, one of the Philippines' most prominent abstract artists, died Thursday after complications from a prostate operation.

Lord Goodman, 81, once an adviser to former Prime Minister Harold Wilson of Britain, died after a long illness Saturday at a nursing home in Highgate, North London.

## INTERNATIONAL CLASSIFIED

**TODAY'S INTERNATIONAL RECRUITMENT**

Appears on Page 9

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## EUROPE

## BRIEFLY EUROPE

# Q & A: 'Substance,' Not Points, Marked U.S.-Russia Summit

Deputy Secretary of State Strobe Talbott, an architect of U.S. policy toward Russia, accompanied President Bill Clinton to Moscow last week. He talked to Joseph Fichetti of the International Herald Tribune about the summit's outcome.

**Q.** Was the trip a good idea in the light of complaints that Mr. Clinton conceded too much?

**A.** The results very much justified the decision to go, which was never much in doubt in the president's mind. He feels strongly about having systematic, disciplined contacts with the leader of the Russian Federation, particularly at moments of tensions and differences.

Let me make a general point about what I see as an outdated mind-set in the way the media and Congress evaluate summit meetings.

I would like us to get over the old Cold War habit of treating every encounter as a zero-sum game, in which one side's victories are losses for the other side, every concession equals an advantage.

**Q.** It was apparently played that way in Moscow.

**A.** The Russian press has its own problem, left over from the Leninist notion that all politics come down to "who beats whom." The administration is trying to move the relationship onto a different footing: Who can do what with whom? So the old way of scoring is liable to inhibit the results we want.

Examine the substance this time. The summit made significant progress on a couple of important issues, without resolving them completely. And I'm not saying we made progress on all our differences.

On the most publicized problem of the Iran nuclear sale, Boris Yeltsin agreed not to proceed with the centrifuge sale, by far the most dangerous part of the deal. So it's finished.

We still have not agreed on whether the reactor sale would help Iran's nuclear weapons program, so discussion will continue.

The Russians believe they stand to make \$1 billion for the sale, but our strong view is that, even if Iran could pay, it's not worth it for Russia to have a nuclear weapons state emerge so nearby.

**Q.** Europeans were watching for clues to U.S. determination about NATO enlargement.

**A.** It was the most important issue, and I think Mr. Clinton made significant headway. He told Mr. Yeltsin that we and our allies are determined to achieve two objectives: greater European integration and stability, and also NATO's evolution, including new members.

We recognize the heavy domestic overlay in Russia, where people across the spectrum fear it could be a threat, perhaps strengthening potentially aggressive forces in Russia.

Mr. Clinton said that we can reconcile the overall security goal and NATO expansion. Now that Moscow has registered its apprehensions, the issue for Moscow should be: Do you want to cooperate in building this new European security structure? Do you want a dialogue to establish a new NATO-Russia relationship?

Mr. Yeltsin agreed that Russia will join the partnership program in time for the NATO ministerial meeting later this month and Mr. Clinton will work with allied leaders to get the ministerial meeting to launch the NATO-Russia dialogue.

**Q.** What was done about the Anti-Ballistic Missile treaty?

**A.** We adopted a set of principles to guide discussions with the Russians and which should enable us to achieve our two goals: keeping the treaty as part of strategic nuclear deterrence and establishing that it permits theater missile defenses.

**Q.** Mr. Yeltsin said that Russia

wants to join Western efforts to curb dangerous exports.

**A.** An international control regime is under discussion, and we believe Russia should be a member, indeed a founding member. The difficulty has been that Russia had contracts on conventional arms to Iran. The summit produced a Russian agreement that ends the problem. It's a breakthrough.

**Q.** Could congressional ire— notably about the absence of any new hope about Chechnya and the Balkans—block your policies?

**A.** The Cold War's abrupt ending left governments unprepared to handle the problems in the Balkans and further east. I think that lessons are surely being learned.

To underscore progress in the region, Mr. Clinton stopped in Ukraine, on the very day that the nonproliferation treaty was declared permanent—a welcome step due largely to Ukraine's giving up its inherited Soviet missiles.

Mr. Clinton devoted as much time to that as to any other security issue during his first 18 months in office.

Some Republican Congressmen, in their eagerness to balance the budget, are advocating cuts in foreign affairs spending that would damage our ability to pursue our interests abroad. But I'm quite confident the administration will be able to marshal support because everything we're doing with Russia reflects our national interest.

## A Concerted Effort Brings Treaty Coup

U.S. Sticks to Guns on Nonproliferation

By Julia Preston  
and R. Jeffrey Smith  
Washington Post Service

WASHINGTON — The Clinton administration has learned, perhaps for the first time, how much its diplomats can achieve by conducting the equivalent of a global full-court press. In a decision that surprised many U.S. officials, the world agreed by consensus to grant permanent status to a treaty that bars the spread of nuclear arms.

Diplomatic initiatives from many countries contributed to this result, but the administration

### NEWS ANALYSIS

tion's unusually concerted crusade provided momentum to bring them together. Washington's worldwide effort resembled an election campaign more than a typical U.S. foreign policy exercise.

The effort to renew the nuclear Nonproliferation Treaty started with a detailed plan approved at the White House early this year and never seriously amended. The cause received attention from the highest levels of government, including President Bill Clinton and Vice President Al Gore, who intervened at key moments to pressure other heads of state.

The campaign freely used what seems to be a rare commodity in U.S. diplomacy—some creative arm-twisting. And the plan was implemented without a hint of possible U.S. compromise, to the frustration of many diplomats from developing countries who opposed the treaty's permanent extension and had expected Washington to make a deal.

What the United States received for its effort was a permanent pledge by nonnuclear nations that they would never develop or acquire nuclear arms. What it gave up was surprisingly little: a promise to help conclude a global ban on nuclear testing by 1996 and a vague commitment to pursue with other nuclear powers "systematic and progressive efforts to reduce nuclear weapons globally."

During the four weeks of the treaty review conference, which concluded Friday, the United States and the other declared nuclear powers—Russia, Britain, France and China—ducked diplomatic rocks thrown by such developing nations as Iran, Indonesia, Mexico and Egypt. None of these countries succeeded in attaching firm conditions to renewal of the treaty, including specific demands for nuclear reductions or freer transfers of peaceful nuclear technology.

"Many countries have been submitted to these pressures," said Ambassador Adolfo Taylor, an opponent of indefinite extension who resigned as head of Venezuela's delegation last Monday when his government defected to the U.S. camp. "If all the countries of the con-



SHOWING THE FLAG—A woman carrying the Belgian colors Sunday with 5,000 people in Brussels rallying against separatism in the linguistically divided country.

## Italy Assailed on Schengen

BONN — Italy is disregarding the spirit of the Schengen accord by letting hundreds of illegal immigrants into the European Union daily, Interior Minister Manfred Kanther of Germany was quoted on Sunday as saying.

By allowing such immigrants to penetrate the 15-nation EU's outer perimeter, Italy had undermined the pact that eliminated border controls among most member states from March 26, he said.

Italy has signed but not yet implemented the pact.

"I am greatly concerned about the way Italy is proceeding in this matter at present," Mr. Kanther told the Berliner Morgenpost newspaper in an interview.

## 27 States Meet on Defense

LISBON — Europe takes another hesitant step toward a common defense policy here on Monday when ministers from the Western European Union meet to discuss improving the organization's capacity to act in peacekeeping and humanitarian operations.

Parallel with the gathering of foreign and defense ministers from 27 states, France, Italy and Spain are to announce the creation of two new joint forces at the disposal of the organization some see as the future defense arm of the European Union.

The two forces, one terrestrial, the other maritime, will be known as Euroforce and Euromarforce and will provide a significant boost to the WEU's operational capacity. (AFP)

## NATO Rights in Germany

BONN — The Defense Ministry disputed a Sunday newspaper report that Bonn intended to abolish special privileges awarded to NATO forces stationed in the country, saying many had already been done away with.

Recent changes in Germany's 1955 treaty with NATO mean that foreign troops face basically the same treatment as German soldiers serving abroad, Lieutenant Colonel Jochen Both said. (Reuters)

## Judicial Tempest in Italy

ROME — Justice Minister Filippo Mancuso was caught up in a political storm on Sunday after dismissing ministry inspectors who carried

out an inquiry into the methods of Milan's "clean hands" anti-graft team.

The inspectors concluded in a report published a few days ago that there was no evidence of wrongdoing in Milan and indeed praised the work of the "clean hands" magistrates.

This failed to satisfy Mr. Mancuso, who told Parliament that the inspectors had allowed themselves to be intimidated. The inspectors wrote to Mr. Mancuso on Saturday threatening to resign over the minister's criticism. (Reuters)

## U.K. Sleaze Panel's Ripples

LONDON — A drive to clean up alleged sleaze in British politics is set to lead to several early ministerial resignations and a possible clash with Prime Minister John Major, newspapers reported on Sunday.

The reports followed proposals by a committee appointed by Mr. Major for tough new curbs on the outside activities of members of Parliament after a string of sleaze allegations.

The Sunday Times said several government ministers planned to quit early in the hope of landing lucrative jobs before any of the proposed restrictions came into effect.

Lord Nolan, chairman of the committee that made the proposals, now wants to determine if it is entitled to look into the often secretive world of party political funding. (Reuters)

## Calendar

European Union events scheduled for Monday: STRASBOURG: EU Parliament session begins with 1996 intergovernmental conference on treaty revision on its agenda.

BRUSSELS: EU and Morocco resume fishing talks.

BRUSSELS: The Australian minister for trade, Bob McMullan, meets with Leon Brittan, the EU commissioner for external trade and relations with industrialized countries.

BRUSSELS: President Jacques Santer of the European Commission, and the commissioner for relations with Asia, Mediterranean and Latin America, Manuel Marin, meet with the director-general of the Food and Agricultural Organization, Jacques Diouf.

Sources: Agence Europe, AFP.

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## Chirac Declares Personal Assets Of \$1.6 Million

Reuters

PARIS — President-elect Jacques Chirac and his wife, Bernadette, have assets of more than 8.3 million francs (\$1.6 million), according to a statement required by law and published on Sunday in the official state gazette.

Among the assets declared by Mr. Chirac, a conservative who is to take office on Wednesday, and his wife are a chateau and a farm in central France and an apartment in Paris.



## INTERNATIONAL

# Captain Convicted for Haiti Jail Visit

## Army Finds Officer Guilty in Deserting Post on Rights Crusade

By Bradley Graham  
Washington Post Service

FORT DRUM, New York — An army court-martial panel has found Captain Lawrence P. Rockwood guilty of disobedience, disrespect and conduct unbecoming an officer for running off by himself to inspect the main prison in Haiti's capital after thinking his superiors were indifferent to suspected human rights violations there.

In a case that pitted the army's insistence on orders and discipline against Captain Rockwood's assertions of a higher moral duty to investigate possible rights abuses, a five-member panel of officers ruled Saturday night, after nearly six hours of deliberations, that the captain lacked sufficient cause to abandon his post on Sept. 30 despite his concerns that inmates' lives at the National Penitentiary were at risk.

On Sunday, the panel dismissed him from the military but imposed no prison time. He also lost two-thirds of his pay and allowances. Captain Rockwood had faced a maximum prison term of six years and three months.

While the army had sought to focus the case narrowly on Captain Rockwood's insubordinate actions, the defense team, led by a former attorney general, Ramsey Clark, cast it as a broad indictment of the performance of American forces after intervening in Haiti last autumn to usher in the return of President Jean-Bertrand Aristide.

"I can't think of anything sadder for the

people to think than the U.S. Army felt everything was fine in those prisons," said Mr. Clark, a veteran rights activist. "There was a duty to go to those prisons as quickly as possible."

The army's lead counsel in the case, Captain Charles Pede, countered that U.S. forces had not been insensitive to the plight of imprisoned Haitians but lacked evidence of inmates' facing imminent death or serious injury and were taxed just trying to control street violence. But he acknowledged that Captain Rockwood's efforts to do "the coat of human rights" had complicated what the army initially had hoped could be handled as a simple case of disobedience.

"When someone wraps himself in that coat, how do you criticize?" Captain Pede said as an audience dominated by reporters and human rights activists packed the eight wooden benches in the small courtroom on the grounds of the 10th Mountain Division. "The army looks uncaring. But it was not. There were just as many human rights being violated in the streets, and that's where our priority was."

Captain Rockwood, 36, a counterintelligence officer and practicing Tibetan Buddhist, had fretted over the plight of inmates in Haiti's prisons, fearing their lives were endangered unless U.S. forces acted quickly. Recounting how he had tried unsuccessfully to draw the attention of more than half a dozen superior officers from different branches to the issue, he testified acidly that U.S. forces had been more concerned about hunkering down in Port-au-Prince to avoid casualties than ful-

filling the mission "to stop brutal atrocities" announced in a televised speech by President Bill Clinton shortly before the intervention.

Defense attorneys framed the case as an example of the dictates of morality and conscience taking precedence over military orders. They invoked the Nuremberg principles, the Hague and Geneva conventions and the lessons of the My Lai massacre during the Vietnam War to argue that a soldier has an obligation to disobey orders when he thinks lives are in danger. Captain Rockwood's superiors, they suggested, should be the ones held criminally negligent for not moving more quickly to check on prison conditions.

Among the witnesses to testify on Captain Rockwood's behalf was Hugh C. Thompson Jr., a former army helicopter pilot who violated orders to save the lives of some Vietnamese civilians during the 1968 My Lai massacre and later received the Distinguished Flying Cross for his actions. Captain Rockwood kept a picture of Mr. Thompson by his workplace in Haiti.

Army officials, upset that negative publicity about the case was shading the image of an operation in Haiti they considered largely successful, tried to avoid a trial by offering a nonjudicial reprimand.

But Captain Rockwood rejected that, preferring a full-fledged court-martial to air his grievances. That left Major General David Meade, commander of the 10th Mountain Division, with what he regarded as little choice but to file an array of charges.

## MOSTAR: Bosnia Pact Totters in Croatian Dodge City

Continued from Page 1

River, was the scene of some of the fiercest fighting between Croats and Muslims. A nine-month Croatian siege in 1993 of the Muslim-held east bank of the city left hundreds dead and turned Mostar's old town into a lunar landscape.

From the start, the Croatian

authorities hampered the federation agreement. They still refuse to allow Muslim men of military age to walk into their side of the city.

The EU set up its administration of Mostar in an effort to bring the Croats and Muslims together. In a recent report, a Western government said the federation and the EU's mis-

sion in Mostar would succeed only if Croatian authorities offered "fundamental compromises" and stopped "stymieing the federation at every turn."

The EU vision for Mostar has evolved from a truly united city into "separate but equal" enclaves joined in name only, with separate police forces, schools and administrations.

## WAR: Risks for U.S.

Continued from Page 1

a frustrated U.S. policymaker, after a week in which Croatian soldiers have overrun UN garrisons and Serbian artillery has lobbed mortar shells into the UN-protected "safe area" of Sarajevo. "The situation on the ground has its own momentum and direction."

The alternative to withdrawal is a beefed-up peacekeeping force, with heavier weapons and authority to respond vigorously to attacks. Until now, UN officials have been reluctant to authorize force because of vulnerability to retaliation. This entire policy is now under review at the behest of the incoming French government.

Any strengthening in the UN mandate in the former Yugoslavia is likely to involve a bigger role for NATO and the United States. If the United Nations is to get serious about enforcing "safe areas" and "no-fly" zones, it will have to call on U.S. warplanes for support.

"The French have become a critical new variable in the equation," said a senior U.S. official. "This is a huge decision for Clinton, and nobody knows what he is going to do. The talk about withdrawal could be real, or it could be a ploy to grab everybody's attention."

At the heart of the debate over how to respond to the latest upsurge in fighting is the question of the proper relationship between diplomacy and force. In an attempt to end the war and impose a settlement, U.S. diplomats have run between Belgrade, Zagreb, Sarajevo and Pale, the "capital" of the Bosnian Serbs. So far, however, there has been little to show for any diplomatic overtures.

"The value of Western diplomacy over the last year has been zero," said Warren Zimmerman, last U.S. ambassador in Belgrade, who resigned from the State Department last year after disagreements with the administration over policy toward the former Yugoslavia. "Diplomacy is a very weak weapon if it is not backed up by the credible threat of force."

The only ray of hope in the bleak diplomatic picture involves negotiations with President Slobodan Milosevic of Serbia over recognition of Bosnia and Croatia in return for easing UN sanctions against his country.

According to U.S. officials, the Bosnian government has agreed to end offensive operations by its army in return for Serbian recognition of Bosnia. Other elements of a package agreement now being discussed with Mr. Milosevic include tightening border controls to prevent arms from reaching the Bosnian Serbs and suspension of sanctions against Serbia.

## Iran Is Mulling New Law to Allow Execution of 'Economic Saboteurs'

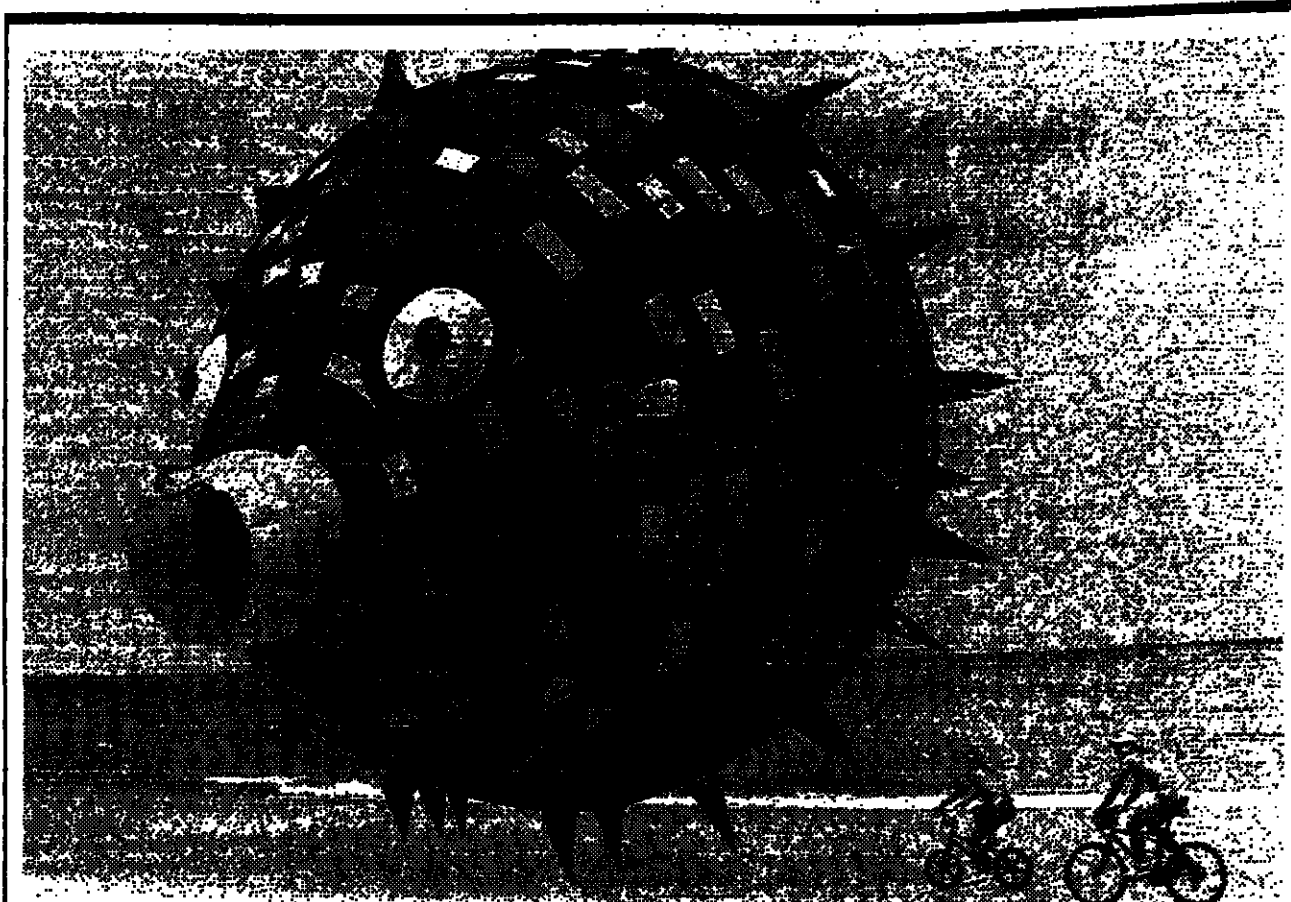
The Associated Press

NICOSIA — Determined to curb inflation and bolster its currency, Iran said Sunday it was considering a new law that would permit convicted "economic saboteurs" to be executed.

The official Iranian press agency, IRNA, quoted an official as saying the judiciary would handle economic offenders "in the manner it has dealt with anti-revolutionary groups."

The comments underlined Iran's concern over the economic crisis that has worsened since President Bill Clinton's executive order May 1 banning U.S. companies and their affiliates from trading with Iran until the country halts its support for terrorism and a possible quest for nuclear weapons.

The rial fell 5 percent Sunday, to 6,000 to the dollar, after posting a 20 percent recovery Thursday, according to reports.



NOT THE BLIMP — Cyclists in Daytona Beach, Florida, riding past a spiny entry in an annual kite festival.

## AMERICAN TOPICS

### Huck Finn Manuscript Finds Its Home in a Public Library

After a journey almost as strange as Huck Finn's odyssey down the Mississippi, the handwritten manuscript of Mark Twain's great American novel found a home last week.

Separated for more than 100 years, two halves of the 1,361-page manuscript of "The Adventures of Huckleberry Finn" were reunited as the centerpiece of the Buffalo and Erie County Public Library's Mark Twain Room in New York state.

The author, who worked in Buffalo as a newspaper editor from 1870 to 1872, sent the manuscript's second half to the library soon after the novel was published in 1884 in response to a request from a library trustee, James Fraser Gluck.

The first half, which Twain at the time thought had been destroyed at the printer's, turned up a couple of years later, and Twain sent it on to Gluck. When Gluck died at age 45, the first half of the manuscript disappeared among his pa-

pers and was believed lost for more than a century.

In 1991, it turned up in an attic trunk at the California home of one of Gluck's two granddaughters, who put it up for sale through Sotheby's.

The library sued, claiming ownership because Twain had intended to donate it to the library, not to Gluck. The suit was settled in 1992, with the library paying an undisclosed sum to Gluck's granddaughters.

### Short Takes

Many people in Newport, Rhode Island, say they were delighted that New Zealand won the America's Cup. Not that they are disloyal, but they know the only way their city might again stage the race was for the U.S. entry to lose. Newport had played host for more than a half-century, from 1930 to 1983, when Australia won the cup. When Dennis Conner won it back for the United States in 1987, he moved the race to his hometown of San Diego. "Everybody wants it back here," said Kathy MacPherson, a bookstore sales clerk. Michelle Callahan, a shop owner, echoed, "It would be heaven if it came back." If an American entry were to win the next America's Cup races, which will be held in New Zealand, Newport would have a chance to be host to the following race.

A judge in suburban Philadelphia has

refused to let the Albert C. Barnes Foundation prolong its showing of French Impressionist and Post-Impressionist paintings, which already has netted more than \$15 million on a two-year tour of Washington, Paris, Toronto, Tokyo, Philadelphia and Fort Worth, Texas. The foundation said the money is needed to add air-conditioning and other improvements to its museum. Critics, including a group of Barnes students, have argued that the tour is damaging precious paintings and flouts Dr. Barnes's wish that they never be moved at all.

A business scaled a zoo fence in Oakland, California, forcing the evacuation of about 560 visitors. The 115 kilogram (250 pound) animal simply paced back and forth for an hour in front of the fence until she was shot with a tranquilizer dart and recaptured. The lioness, named Maddie, went over a 3.7-meter (12-foot) chain-link fence topped with barbed wire. The lion exhibit will remain closed while a double fence is installed.

A man applied for a restaurant job in Pittsburgh, filled out an application form giving his name, address and Social Security number, then returned to the restaurant, grabbed a handful of money out of the cash register and ran off. Apparently realizing his mistake, he turned himself in. "It was stupid," a police spokesman said. "Very, very stupid."

International Herald Tribune.

## GENES: Religious Leaders Gird for Battle Against Biotechnology Industry

Continued from Page 1

paign from their churches and synagogues.

The new coalition was painfully stitched together over the last two years, largely with help from one of the biotechnology industry's most persistent adversaries: Jeremy Rifkin, head of the Foundation on Economic Trends, in Washington.

The foundation has fought biotechnology companies on scores of issues, from marketing milk produced by cows that receive growth hormones to growing new plants that were developed through genetic engineering.

The Patent and Trademark Office has routinely awarded patents on human genes since 1980, when the Supreme Court ruled that Exon Corp. could patent a microorganism used to dissipate oil spills.

The government awarded the first animal patent in 1988, on a genetically modified mouse developed at Harvard University, and it has since issued eight other animal patents.

Nearly all of the successful new drugs produced through genetic engineering have been based on patented human genes, like the gene that produces human growth hormone or the genes that stimulate the production of red blood cells.

Human genes also are central to new "genetic therapies," in which patients with a genetic disease like cystic fibrosis are injected with healthy genes that reproduce inside the body.

"Some people mistakenly assume that breakthrough medical technologies will occur without patents, but they will not," said Lisa Raines, vice president for government affairs at the Genzyme Corporation in Cambridge, Massachusetts, which is working on gene therapies for cystic fibrosis and owns part of a company that is

developing transgenic goats that produce valuable drugs in their milk.

Ms. Raines noted that biotechnology companies must raise tens of millions of dollars years before they have a marketable product, and patents provide the only assurance of being able to profit in the event that high-risk research is successful.

The strongly held — and opposite — views are likely to present the conservative Republican Congress a difficult choice between two constituencies that lawmakers passionately support: business and religion.

Republican lawmakers moved aggressively during the first 100 days of this Congress to attack what they viewed as impediments to business, from environmental regulations to product-liability lawsuits.

But conservative Christian denominations have provided a pillar of Republican support, and some of those groups have signed up as opponents to the patenting of genes, including the Southern Baptist Convention, the Assemblies of God and the Reform Church of America.

The Most Reverend William Friend, the Roman Catholic bishop for Northern Louisiana, said that patenting human genes or genetically engineered animals was clearly at odds with the teachings of Pope John Paul II, who has already preached against such practices as artificial insemination and in-vitro fertilization.

"Pope John Paul was clearest about this," Bishop Friend said, "when he said that all activity, all interference in the genome, must absolutely respect the specific nature of the human species and the incomparable dignity of every human being."

The biotechnology industry, the bishop

said, was looking at the issue from the standpoint of business and science.

"People are garrisoning rights without a public forum," he said. "I have a problem with that."

Ms. Raines said the goal of all these efforts was profoundly moral.

"The motivation of biotechnology is not to play God," she said. "It is to play doctor. Doing that requires that we learn about, and harness, the genes that God has placed in us, and to fix those that through an error of nature are not working properly."

## A Haunting Solo Lets Norway Win Europe Songfest

Reuters

DUBLIN — Norway won the Eurovision Song Contest on Saturday night with a haunting violin solo and only 24 words.

"Nocturne," performed by a group called Secret Garden and broadcast to an estimated 300 million viewers, was composed by Rolf Lovland with lyrics by Petter Skavlan. The evocative playing of an Irish violinist, Fionnuala Sherry, and the song's mystic style captured the hearts of judges to score 148 points.

Spain's entry, "Come Back to Me," a slow song in a traditional style sung by Anabel Conde and written by José María Puro, took second place with 119 points.

## CROSSWORD

### ACROSS

- 1 Ideologies
- 5 Jean aka Marilyn
- 10 On the briny
- 14 Harvest
- 16 Love affair
- 18 Command to a dog
- 17 Taj Mahal site
- 19 New Zealand native
- 20 Krishna
- 22 Military officer in charge of food and clothing
- 23 Suffix with novel

### DOWN

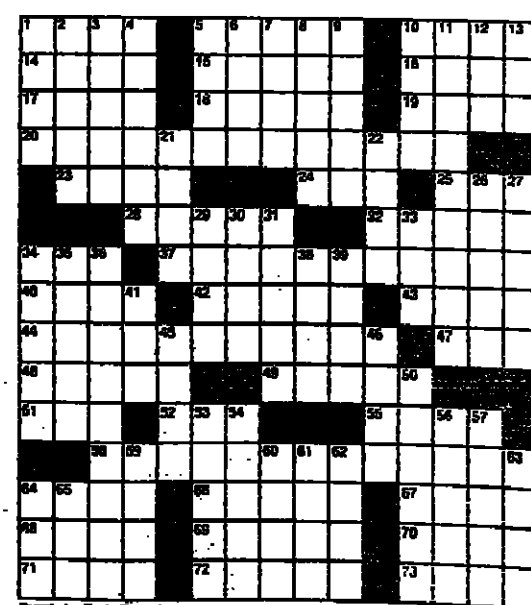
- 24 Sign before "Vigo"
- 26 "Gosh!"
- 28 Not proper
- 32 Not together
- 34 Eva's half sister?
- 37 Cheap
- 40 A single time
- 42 Excludes
- 43 Ton: Prefix
- 44 Coat in a way
- 47 NFL lineman
- 48 Cocaine's "The Blood of —"
- 49 Troop encampment

### Solution to Puzzle of May 12

SLACKJAWED ASIDE  
PUSHBOILED PEAT  
ARTIFICIAL RACE  
CARD CHEER  
ECO MARK FINISH  
SYSTEM UFOS NEO  
PLASTERS CAT  
FUSATE ARTIST  
TIN NEWSREEL  
EXE GUST SPLASH  
LADDER OATS PHI  
STIRS DON SLID  
TITO VEGETATIVE  
VULG CLERICAL  
REDS ADDRESSERS

### DOWN

- 1 Baghdad's land
- 2 Musical transition
- 3 Corday's victim, 7/13/1793
- 4 Winner of the Peloponnesian War
- 5 Moirer
- 6 Actor Sharif
- 7 Space
- 8 Michelangelo work
- 9 Come up



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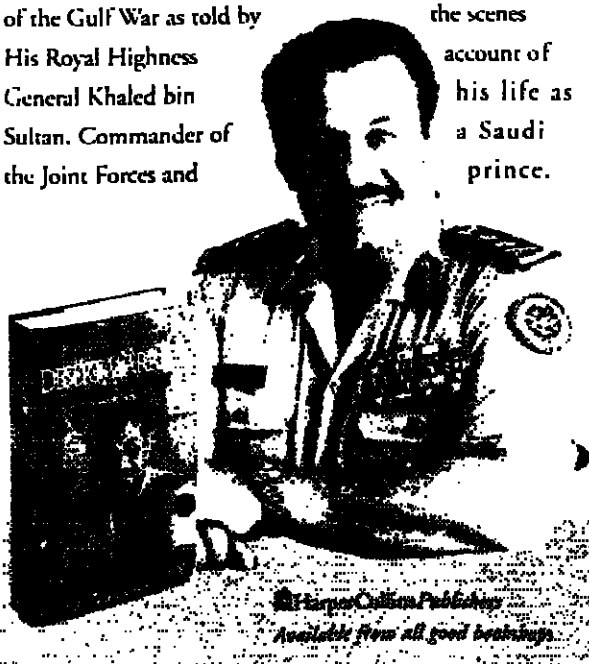
- 54 Capital of Rhode
- 55 Dr. Watson
- 56 Show petulance
- 57 — a customer
- 58 Hot times in Bordeaux
- 59 Show petulance
- 60 Concerning
- 61 do-well
- 62 Daring deed
- 63 Mini-craze
- 64 Put — good word in

## HRH GENERAL KHALED BIN SULTAN DESERT WARRIOR

A PERSONAL VIEW OF THE GULF WAR  
BY THE JOINT FORCES COMMANDER WITH PATRICK SEALE

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## EUROPE



Residents of Grozny drawing water from a steam-heating pipe in the shattered city, where there is a water shortage. Yuri Kozlov/Agence France Presse

## Chechens Make Stand in Mountains

By Michael Specter  
New York Times Service

OREKHOVO, Russia — It is a lovely five-kilometer walk from the nearest village to this spectacular, lush hamlet in the Caucasus. Lovely except for the artillery thudding in the background, the helicopters buzzing the tree line, and the dull roar of tanks in the distance.

The war for Chechnya has come to the mountain villages, where wars for Chechnya have been decided for 300 years. The rebel soldiers of the secessionist republic have lost their cities and their plains. So they have taken refuge in the mountains, fighting Russians in the place they know best.

"You Westerners always want to know how we can win this war," said Khamzat Aslambekov, deputy commander of the Chechen battle group that is spread across the hills 65 kilometers (40 miles) southwest of Grozny.

"There is no winning. We know that. If we are fighting, we are winning. If we are not, we have lost. The Russians can kill us all and destroy this land. Then they will win. But we will make it very painful for them."

They already have. Russian soldiers, who routinely ask Chechen civilians for food to augment their meager rations, are spread in long lines across the rich green meadows beneath these hills. They fight from the skies and with mortars.

Sitting in the forest here, one can watch as mines and small bombs, dropped by helicopters, are guided to the ground by

cream-colored parachutes hardly bigger than handkerchiefs. The Chechen defenders rest beneath the trees with anti-tank weapons, rocket launchers and Kalashnikovs, waiting for the Russians to attack the village.

"We don't want to go up there, and they don't want to come down here," said Lieutenant Colonel Andrei Uzinsky, a Russian battalion commander stationed less than a kilometer below Orekhovo. "They know those mountains well. But we have the power."

That pretty much explains the war these days. It is a phase that will probably last until cold weather threatens next winter to drive the Chechens from their bunkers here. Russian forces may bomb as vigorously as possible, but to try to take these mountain strongholds by storm would seem folly.

Bombing raids on mountain villages produce few casualties but much damage. Walking through the woods can be like walking through a ghoulish junkyard.

Shrapnel from Russian bombs is everywhere: wedged into oak trees, scattered on the trails, lining the creeks. Anti-tank guns are hidden behind sandbags, and the shells for them are tucked neatly under bushes, out of sight yet easy to find in an emergency.

It is not clear how many Chechen fighters there are left. The Chechen commanders say there are thousands. That may be an exaggeration, but it takes far fewer men to hold a mountain fortress than it does to take it.

The results of this war have never really been in doubt: with the largest army in

Europe, if Russia wants to win, it will. The price the Kremlin will pay is more difficult to calculate.

Although Defense Minister Pavel S. Grachev said in December that a single group of paratroopers could control Grozny in two hours, and President Boris N. Yeltsin has more than once declared the military operation to be over, Russian soldiers from one side of Chechnya to the other question the outcome.

"I don't see a way out of here," said Vladimir Mirinoyev, a Russian soldier stationed near Samashki who would not give his rank. "We are not going to withdraw. And we are not going to win unless we kill everybody. So how do we end it?"

## Russians Renew Attack

Fred Hlat of The Washington Post reported earlier from Moscow:

Ignoring President Bill Clinton's call for an extended cease-fire, Russian troops have renewed their offensive against Chechen rebels.

Mr. Clinton, in a summit meeting with Mr. Yeltsin, urged that a much-ignored two-week cease-fire be extended to end the "tragedy" of the Chechen war. But General Grachev said over the weekend that troops were now planning "more vigorous measures to liquidate the remaining bandit formations."

"As to how long it will take," he said, "first of all as long as is needed, and secondly until the remaining bandits realize that their situation is hopeless."

On Sunday, Russian forces pounded villages in the foothills of southern Chechnya.

## JACKIE UNDER MY SKIN

By Wayne Koestenbaum, 291 pages, \$21 Farrar, Straus & Giroux.

Reviewed by Michiko Kakutani

WITH the rise of deconstruction in academia, we've seen novels deconstructed, paintings deconstructed, kinship rituals deconstructed, even historical events deconstructed. With this book, we reach perhaps the end point of this process: the deconstruction of a human being.

In these pages, Koestenbaum — an associate professor of English at Yale and the author of a highly entertaining study of opera called "The Queen's Throat" (1993) — treats Jacqueline Kennedy Onassis as a kind of indeterminate text that can be read in a multiplicity of ways. He is concerned with the symbolism of Jackie, as he consistently refers to Mrs. Onassis, her metaphorical significance, her effect on him and on other Jackie lovers.

Initially, the results are amusing: Koestenbaum possesses a sharp and nimble wit, and his first few chapters seem like both a playful exercise in cultural commentary and a

campy, tongue-in-cheek send-up of deconstructive pedantry.

As the book progresses, however, the reader begins to suspect that Koestenbaum is actually completely serious about his undertaking, that he really believes he can decipher the hidden meaning of Jackie changing hairdos and clothes. In fact, by the end of the book, he has effectively turned her into a blank slate for his own theorizing, an approach that allows him to completely ignore the facts of her existence.

It is this approach that enables him to write such ludicrous sentences as "Doom came to her, in Dallas, and it may have seemed retribution for hubris." Or to ask the reader

## WHAT THEY'RE READING

• Giuseppe Nardini, who runs a grappa distillery that has been in his family for seven generations, is reading the Italian translation of Peter Hoeg's "Smilla's Sense of Snow." "My wife gave it to me to read on the beach. I thought it would be a stupid Scandinavian romance story, but instead found it complex and intriguing." (John Brunton, IHT)



to think of her father "in the dark night" and "imagine Jackie's love for him, and wonder if he pushed that love too far."

"Jackie-in-the-car-with-shot-Jack grotesquely rivets because it resembles the iconic Salome and Judith scenes," he writes in another chapter.

This sort of free-ranging free association animates all of the work, for Koestenbaum, like all good deconstructionists, regards his subject as a simple text to be decoded and demystified, read and reread and misread. In the course of this book, Koestenbaum relates his dreams about Jackie, his speculations about her life and her loves. He describes what he calls her "zombie mien," which reminds him of Jacqueline Susann's "Valley of the Dolls," which makes him want "to interpret Jackie as a drug, to interpret Jackie as something we ingest, inject, introject."

Some of his speculation is stupid; he wonders, "when considering the assassination, whether Rose was more unhappy than Jackie, or differently unhappy." Some of it is silly: he wonders how Jackie's children would "conceptualize Jackie's closet," or whether they conceptualize "Jackie" at all. And

some of it is downright offensive: he wonders whether the sight of Jackie, covered with her husband's blood, means "that Jackie was a bad girl and that she had been punished."

Because Koestenbaum is not interested in such old-fashioned concepts as reality or history or truth, he draws heavily in this volume on fan magazines and rumors, gossiping about Jackie's shopping habits, her attitudes toward money and her relationship with her brother-in-law Bobby. At one point, he even tries to draw some conclusions from the fact that fan-magazine stories about Jackie ran next to stories about other scandals and advertisements for depilatories, vibrators and corsets.

What else does Jackie represent in Koestenbaum's view? Among other things, he suggests she is "the auteur of her own persona," "a figure of transportation," a "goddess of power," a "pure case of the star qua star." He compares her with Maria Callas, Elizabeth Taylor, Medusa, Eurydice, Circe, Catwoman and Mary Pickford, and argues that in photos, "she mimics laminated surfaces like Formica." To him, she embodies the sacred and the profane, the superficial and the sublime: she is a martyr and manipulator, a shopaholic and a saint, a victim and a dominatrix.

Indeed, Koestenbaum's preposterous and egotistical riffs about Jackie point up the basic problems with deconstruction: its completely subjective and relativistic view of the world, its eagerness to try to make anything — be it book, painting or person — signify everything, and in doing so signify nothing.

Michiko Kakutani is on the staff of The New York Times.

## BRIDGE

By Alan Truscott

THE diagramed deal was played in a New Jersey Bridge League team encounter.

After a one-diamond opening bid and a weak jump to two spades, North was decidedly pushy with three hearts. A negative double, suggesting moderate values and length in the unbid suits, would have been more appropriate.

Over four spades the obvious action was the four no-trump, but South simply bid six diamonds. This was partly because four no-trump was the modern variety. This would have agreed hearts, and a five-diamond response would have left it unclear whether North held the heart king or an ace. The response, however, would have been five clubs, which would have been unambiguous.

There was an excellent chance, in the light of the bidding, that North was void in spades, and so it proved. West failed to find an inspired minor-suit lead against six diamonds, and when he routinely led the

spade queen the South player was in business.

He ruffed in dummy and led a heart. West won with the queen and led a trump, necessary to stop another diamond ruff. Now South ran all his trumps, throwing hearts from the dummy, and East could not stand the pressure. To preserve the spade ace, guarding against the king, he had to throw a club and the slam succeeded.

North and South were vulnerable.  
The bidding:  
South West North East  
1♦ 2♣ 3♦ 4♠  
6♦ Pass Pass Pass  
West led the spade queen.

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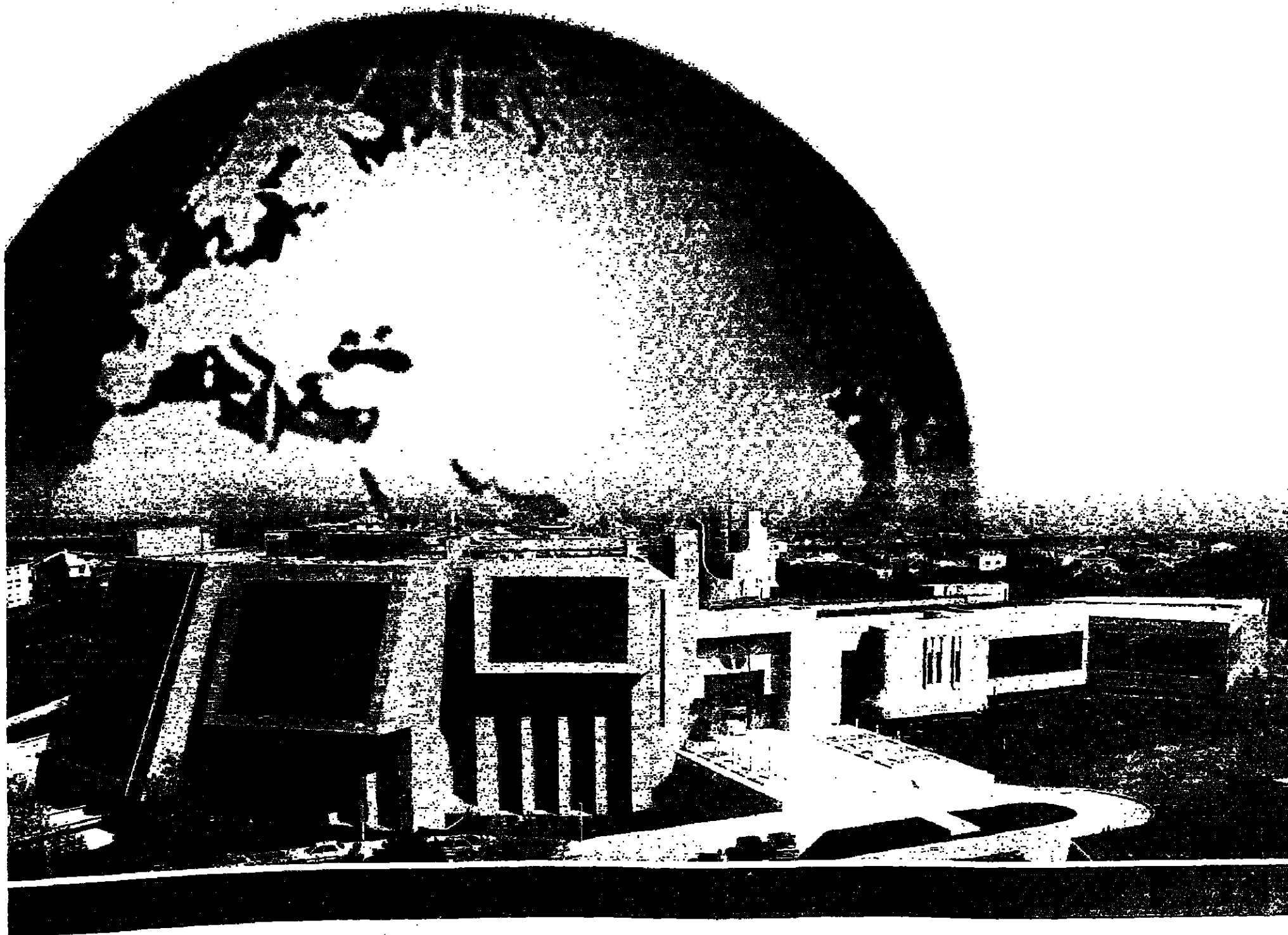
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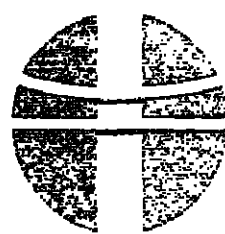
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## Ladyfinger Riffs

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ss. Mr. Clinton and Japan had agreements over onths "to open thing from our ce, our telecom- upment to our vices.

an's market to t as the Ameri- r. Clinton said, for both Ameri- companies. an's markets is a n for everyone. d habits and en- s die hard." AT, Bloomberg)

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# Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

## For a 'World's Doctor'

The rare but terrifying Ebola virus has emerged from its hiding place in the African rain forests once again to kill scores of people in Zaire.

The virus — one of a host of emerging viruses that have medical scientists worried — becomes an unbelievable nightmare on the infrequent occasions it invades the human body.

It turns internal organs to mush, causes profuse bleeding from virtually every orifice, and typically kills 90 percent of those infected. There is no vaccine to prevent it, no drug to treat it, not even a clue as to what animal or insect serves as its normal reservoir until some luckless human comes into contact and is infected.

No wonder authors and filmmakers have seized upon Ebola or viruses like it as the ultimate horror. Were Ebola to mutate so as to become more highly transmissible, it could cause incredible death and suffering in every corner of a largely defenseless world. The threat posed by such emerging diseases demands a far more vigorous response from the complacent, budget-cutting governments of the advanced nations.

Fortunately, the strains of Ebola that have emerged so far seem readily containable. The virus struck isolated regions in Zaire and the Sudan in the 1970s, killing several hundred people, but those outbreaks burned out before the disease could spread widely.

A different strain of Ebola reached Reston, Virginia, in 1989 through a batch of infected monkeys. As luck would have it, this strain proved harmless to humans, providing only a scary close call that underscored the fragility of our defenses in the age of jet travel.

The current outbreak in Zaire is no cause for panic because the virus is not highly transmissible and the affected regions are off international travel routes. Human-to-human transmission occurs through direct contact with blood and

other body fluids. Primitive hospitals, where contaminated needles and instruments may be used on scores of patients, often amplify an initial outbreak.

The World Health Organization and the federal Centers for Disease Control and Prevention have rushed experts to the scene to help find and isolate victims, making it likely that this outbreak can be contained as were earlier ones. But it is not hard to imagine an outbreak that could threaten the globe.

A modest genetic change might enable Ebola to spread rapidly through the air, and infected travelers could spread the virus widely before anyone realized they were sick. Or a different lethal virus that was readily transmissible could emerge.

A grateful public once thought that vaccines and antibiotics had triumphed over infectious disease. But the resurgence of tuberculosis in advanced nations, the reappearance of pneumonic plague in a corner of India, and the global spread of AIDS are reminders that the job is not done.

What a wonderful crusade it would be to meet the challenge of emerging and re-emerging diseases with the full medical might of the industrialized world.

Experts have been talking for years about the need to improve disease surveillance in developing countries and to equip rapid strike forces to swoop in at the first hint of trouble. Even a simple, low-cost program to provide clean needles to primitive hospitals might stop many epidemics before they got started. But only the barest beginning has been made.

For much of this century the United States has served as "the world's policeman" in armed crises. Now, with the Cold War over, it may be time to put on the hat of "world's doctor," alone or in concert with others. We may have less to fear from rogue nations than from rogue viruses.

— THE NEW YORK TIMES

## A Most Beneficial Treaty

The extension without time limit of the Nuclear Nonproliferation Treaty is a result of international good sense and American leadership. The 25-year-old treaty fully satisfies none of its signers, but it supports the nuclear status quo that most countries plainly prefer to the unpredictability of change. The United States made extension what President Bill Clinton called a "central" priority. With help from others, especially the conference head, Jayantha Dhanapala of Sri Lanka, Washington did the heavy diplomatic lifting necessary to get some 170 governments aboard.

The treaty as extended preserves the essential bargain of the original enactment. The five countries that were already nuclear stayed nuclear; those who had no bomb promised not to go for one. To justify the nonnuclear signers' second-class status, the five pledged to someday disarm themselves and meanwhile to offer the others peaceful nuclear aid and some protection against nuclear intimidation. After much agitation, these terms were affirmed without much alteration at the treaty conference in New York. They serve U.S. interests well.

The countries whose nuclear plans most trouble the United States are the "rogue"

states — Iraq, Iran, North Korea — which have signed the nonproliferation treaty but, breaking their treaty word, have worked on bombs. Unfortunately, their future programs are beyond the reach of the treaty, which has no enforcement mechanism. That leaves Washington leading the current efforts to deter, reverse or contain those programs. Many countries stand to benefit from American leadership in counterproliferation.

A second set of countries, including India, Pakistan and Israel, also have bomb programs. Because they have not signed the treaty, however, it imposes no obligations on them. For many different reasons, the United States has good relations with them and, though it has penalized Pakistan with an aid cutoff, tends to live with their bombs. A broad scheme of regional conciliation remains the best hope of containing the weapons race in South Asia. As for Israel, at the treaty conference Arab and Muslim countries tried hard but largely failed to pry Washington out of its protection of the Israeli program. Israel should consider moving its program out of calculated ambiguity into up-front avowal of its security imperatives; it would be easier to defend.

— THE WASHINGTON POST

## Standing Up Against Hate

Last week, as German and other European leaders met in the partly reconstructed shell of a Berlin synagogue to mark the passage of a half-century since V-E Day, somebody else saw fit to hark back to the dark past in a different way — by setting fire to the storeroom of a synagogue in Lübeck. Germans have spent much of the past few decades debating, often in rigorous and heartfelt ways, how best to deal with the weight of the Nazi past. This time, at least one group of Lübeck neighbors had no doubts. The very next morning, on hearing of the arson, a nearby Lutheran church moved its Sunday services to the steps of the burned synagogue as an act of public witness. The message was unmistakable — not just to the rest of the world, which has an understandable tendency to keep close watch on the German temperature on these matters, but also to Germans themselves.

Those same observers might have noticed a similarly prompt public reaction to an ugly incident next door in France. There, shortly before the presidential election, a group of youths attending a rally for the anti-immigrant candidate Jean-Marie Le Pen apparently broke away from the crowd and began chasing a Moroccan man named Brahim Bouarram, who, after being struck by one of

them, drowned in the Seine. Here, too, though spared Germany's particular historical burden on the issue of violence against racial minorities, French politicians in the past have been equivocal about their attitudes toward such groups. This time, though, both President-elect Jacques Chirac and his runoff opponent, Lionel Jospin, were quick to assail racism and anti-immigrant violence and to call for immediate justice. The arrests last week of suspects in the incident followed a 10,000-person march through Paris to protest violence against immigrants.

Europe's problems with its still growing population of ethnic minorities — problems that include prejudice but also unemployment, housing and cultural and religious gaps — are complicated and will not be solved soon. And abjuring as far as possible public tolerance for xenophobic violence will not make those substantive problems go away. Still, as the nations pause to remember the war whose evils are bound up inextricably with the memory of such hatreds, there is no better form of active remembrance than these everyday assertions by ordinary people that they will stand up against violence that is motivated by hostility toward ethnic minorities and that they understand where such hostility can lead.

— THE WASHINGTON POST

## Chirac: He Has the Freedom to Be the Last Gaullist

By Jim Hoagland

WASHINGTON — Say two things for Jacques Chirac, the French Bulldozer: He sure is persistent. And he arrives at the French presidency a free man. Rarely in major league politics has a presidential victory been as personal and as unencumbered by political debt as the victory Mr. Chirac scored in France.

Mr. Chirac ran as a man liberated from dogma, be it the dogma of his own neo-Gaullist past or that of his Socialist opponents. The Socialists painted Mr. Chirac as a cynical opportunist without a central core of values. They stopped just short of calling him Slick Jackie.

Sympathy for a fellow politician treated thusly is not the only reason that President Bill Clinton will want to spend time with the new French leader early in his seven-year term. Mr. Chirac's unfetteredness offers the United States an opportunity to open a promising new chapter in the perennially troubled but uniquely fruitful French-American relationship.

Twice prime minister and unsuccessful presidential candidate, Mr. Chirac was left for dead by the French political class six months ago. Polls showed him far behind Prime Minister Edouard Balladur, a former protégé put into office by his mentor as a stalking horse. At 62, Mr. Chirac seemed to be a political cuckold who could not come back.

But this neo-Gaullist stood alone and

refused to withdraw from the race. Mr. Balladur played his front-running cards so cautiously and carefully that he committed the one crime the French never forgive: He bored them stiff.

Mr. Chirac's ambitious promises to deal with unemployment, homelessness and France's other social ills appealed to voters under 35, who moved decisively to Mr. Chirac. They put him into the second round of presidential voting, where he defeated the Socialist candidate, Lionel Jospin, with 52 percent of the vote.

Mr. Chirac can take pride — and France can take comfort — in the fact that the president-elect made no deals or even appeals for the votes of the 15 percent of the French electorate who backed the far-right, xenophobic Jean-Marie Le Pen in the first round. Mr. Chirac owes nothing to Mr. Le Pen, who urged his supporters to cast blank ballots in protest.

The campaign's fratricide on the right should also allow Mr. Chirac to extricate himself from the occult neo-Gaullist world of intelligence connections, dirty trick campaigns and parallel policy operations run by a longtime ally, Interior Minister Charles Pasqua. Mr. Pasqua sought to muscle his pal out of running. Mr. Chirac is free to combine revenge

and a healthy cleaning out of the neo-Gaullist stables.

I first met Mr. Chirac in 1976, a few weeks before he stormed out of office as prime minister to President Valéry Giscard d'Estaing, who treated the proud, prickly Mr. Chirac like a footman rather than a hard-driving government star destined to one day become president.

Mr. Chirac slowly mellowed, even if his ambitions remained constant. A big, expansive man, he is a much smoother, more affable version of Lyndon Johnson at his peak. He is intuitive, suspicious and generous by turn. He is surprisingly easily wounded for a politician who, like his predecessor, François Mitterrand, captured the Elysée Palace only on his third attempt. The French need to be sure you really want the job, the Financial Times of London observed.

Mr. Mitterrand leaves office this week after 14 years in which French-American relations have remained "cooperative on vital issues, but competitive, distrustful and testy on the margins," in the words of a timely policy paper on French-American relations just issued by the Atlantic Council, a nonprofit public policy body.

A blue-ribbon working group assembled by the council (I participated in one of its meetings to get the favor of the exercise) recommends to both sides that the arrival of a new French president

offers a chance for "changes in attitudes from the top down."

French "inclinations toward global influence" would fit well with America's desire to lessen its commitments abroad if both sides come to trust each other.

Can two nations that have quarreled over France's Gaullist vision of grandeur for four decades really find happiness together? The Atlantic Council group makes the case that they can (not that they will) because: "It has become obvious to the French that any challenge to France's identity today stems more from the limitations of sovereignty inherent in European unity than from any sort of 'American challenge.'"

Serious differences remain between Washington and Paris over NATO expansion, nuclear testing, France's residual role in its former African colonies and other issues.

But Mr. Chirac has the freedom to take creative and unexpected steps in foreign policy. He has an overwhelming majority in Parliament, and his political forces completely control Paris. He does not need to flatter or prove his attachment to Gaullism, which he has lived and breathed for a generation. He can act independently, unpredictably, marching to his own drum. In that way he can truly be the last Gaullist.

The Washington Post

## Save Sarajevo, This Martyred Symbol of Friendship and Diversity

By Warren Zimmermann

WASHINGTON — After a year's breathing space, Serbian artillery is once again firing on Sarajevo. On May 7, 11 Sarajevians died from a Serbian mortar attack. The United Nations reacted in predictable fashion. The UN military commander recommended NATO air strikes against the Serbian gunners but was overruled by the secretary-general's civilian representative. The aggression went unpunished.

The city of Sarajevo is the last major unachieved objective of the Bosnian Serbs' military campaign. Sooner or later the Serbs will make an all-out effort to take the city. They may try to starve it into submission, or they may pummel it with artillery barrages.

Radovan Karadzic, the Bosnian Serb leader, intends to make Sarajevo, an ethnically mixed city with a Muslim majority, the capital of his "Serbian Republic." Back in May 1992, he described to me his intention of dividing the city into ethnic ghettos, with walls and checkpoints, so that Serbs would not be contaminated by cohabitation with Muslims and Croats. He did not demur when I asked him if Sarajevo would resemble Berlin before the wall came down. Since then, Mr. Karadzic has never wavered in his plans for Sarajevo.

There is another reason for his obsession with Sarajevo. Since its 15th century occupation by the Ottoman Turks, the city has been a haven for diverse ethnic groups and a symbol of racial tolerance. It has stood for precisely the values that the Serbian policy of apartheid is intended to stamp out. There was a saying in medieval Europe that "city air brings freedom." The civic benefits of medieval Sarajevo were so attractive that many Slavs converted to Islam to enjoy them better. These converts were ancestors of the liberal-minded, mainly secular Muslims of today's Sarajevo. The city was also a refuge for Jews expelled from Spain in 1492. In the late 1930s, Rebecca West caught the atmosphere of Sarajevo in her classic, "Black Lamb and Grey Falcon": "The air of luxury in Sarajevo has less to do with material goods than with the people. They greet delight here with unreluctant and sturdy appreciation, they are even prudent about it, they will let no drop of pleasure run to waste."

Sarajevo before the war did have a special appeal — the splendid chestnut trees and minarets; the streetcars trundling along the Mijacka River, still bearing through the 1970s the faint "D.C. Transit" logo to show where they had been bought; and the tiny spicy hamburgers (called *chevapičiči* after a Turkish word), the specialty of outdoor stalls in the swarming 15th century Turkish market.

Back in the 1960s, I got to know two close Sarajevan friends

and a symbol of racial tolerance. It has stood for precisely the values that the Serbian policy of apartheid is intended to stamp out. There was a saying in medieval Europe that "city air brings freedom." The civic benefits of medieval Sarajevo were so attractive that many Slavs converted to Islam to enjoy them better. These converts were ancestors of the liberal-minded, mainly secular Muslims of today's Sarajevo. The city was also a refuge for Jews expelled from Spain in 1492. In the late 1930s, Rebecca West caught the atmosphere of Sarajevo in her classic, "Black Lamb and Grey Falcon": "The air of luxury in Sarajevo has less to do with material goods than with the people. They greet delight here with unreluctant and sturdy appreciation, they are even prudent about it, they will let no drop of pleasure run to waste."

Sarajevo before the war did have a special appeal — the splendid chestnut trees and minarets; the streetcars trundling along the Mijacka River, still bearing through the 1970s the faint "D.C. Transit" logo to show where they had been bought; and the tiny spicy hamburgers (called *chevapičiči* after a Turkish word), the specialty of outdoor stalls in the swarming 15th century Turkish market.

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just getting used to being besieged. Recalling Sarajevo as it once was, at first I couldn't understand why the air force considered this a combat mission and why the young pilot from the Mississippi National Guard seemed so nervous he began his approach to the Sarajevo airport.

Today the minarets and the market have been obliterated by Serbian mortars. The streets (modern ones now) have been running for a year but remain hostage to the intensity of the artillery barrages. Pavle and Adi are dead, but the spirit of their friendship is stubbornly alive in Sarajevo, where Muslims, Croats and Serbs continue to survive and resist together. Fifty thousand Serbs, branded by Mr. Karadzic as traitors, remain in the city in defiance of his segregationist edicts.

Sarajevo has seen hard times before. It was devastated three times by fire, and it endured two

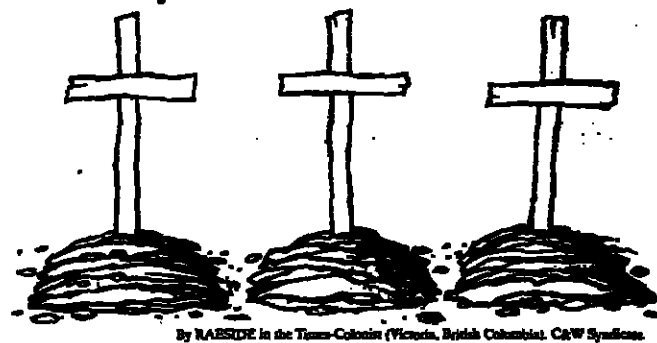
world wars. But this is its worst travails in its 500-year existence. It has met the tragic fate of two other cities famous for their style — Berlin and Beirut. Will it achieve the renaissance of the former or suffer the misfortunes of the latter?

The answer depends significantly on NATO and especially the United States. Only resolute and, if necessary, continued NATO air strikes against Serbian artillery positions can end the siege and save the city. The one time the West credibly threatened air strikes — in February 1994 — the Serbs pulled back their guns. Now the guns are back, and the West is again challenged.

Shelling a civilian population is already a war crime; even worse atrocities would accompany the fall of Sarajevo to Mr. Karadzic's men. To prevent this is worth the risk of a determined air campaign. Only the United States, through NATO, can match Mr. Karadzic's force with superior force. Yet the Clinton administration has limited itself to blaming the United Nations and talking tough. Fast approaching for Sarajevo is W.H. Auden's "land laid waste, with all its young men slain, its women weeping, and its towns in terror."

The writer, a visiting professor at the University of Maryland School of Public Affairs, was U.S. ambassador to Yugoslavia from 1989 to 1992. He contributed this column to The Washington Post.

### Bosnian Safe Havens.



By NASSIR in the Times Column (Victoria, British Columbia, C&W Syndicate)

## Fanning the Jerusalem Fuse Could Explode the Entire Peace Process

By Thomas L. Friedman

WASHINGTON — On April 18, 1990, Bob Dole made a speech in the U.S. Senate arguing against a resolution to move the American Embassy from Tel Aviv to Jerusalem.

He said: "I made a mistake. I certainly should not have signed onto this resolution. Whatever anyone else may think about it, [the Arabs] regard Jerusalem as part of their homeland and they have a strong emotional attachment to it. I am not trying to argue that point; I am only trying to underscore how sensitive and how complex this issue is."

"The real point is not whether I, or even 100 senators, believe that Jerusalem should or should not be the capital of Israel. The issue is whether the Senate of the United States should be jumping into the middle of an extremely sensitive situation, without looking, in many cases without even thinking, first."

Last week, the same Bob Dole made a speech to the American-Israeli Public Affairs Committee, a lobbying group. He said:

"I was proud to join with 92 of my Senate colleagues in signing a letter last March urging our administration to move our embassy. I think the time has come, however, to move beyond letters. So tomorrow I will introduce the

Jerusalem Embassy Relocation Implementation Act. It mandates that the United States open a new embassy in Jerusalem no later than May 31, 1999."

Mr. Dole's cynical flip-flop is sickening enough. But he is not alone. AIPAC has decided to make the Jerusalem issue an urgent priority — more than the peace process — because it is fighting for members with more hard-line Jewish organizations.

Israel's rightist Likud party is also pushing this issue, as a way to embarrass Prime Minister Yitzhak Rabin, who wants the embassy move postponed so as not to

derail talks with the Palestinians. Mr. Rabin is right. The pressing issue is not the status of Jerusalem. Jerusalem will remain Israel's capital no matter what anyone says. The most important questions are the status of the United States as the only credible mediator in the Arab-Israeli conflict and the status of the Israeli-Palestinian negotiations.

The United States has played an essential mediating role. Why should Washington now abandon that position and take sides — with the Israeli opposition parties who want to use the Jerusalem issue to explode the peace process?

If Israel and the Palestinians can hammer out a deal that allows Palestinians to control much of the West Bank and Gaza, while ensuring Israel's security, then maybe, just maybe, they will be able to work out a loose compromise on Jerusalem that acknowledges some Palestinian claims, while maintaining it as Israel's capital.

But if the United States rams the embassy in there right now, the enemies of peace will have a field day. The Palestinian negotiators will be discredited and the Arab states will surely slow their normalization with Israel.

Yes, Israel has the power to get the U.S. Embassy moved now. But remember May 1983? At that time there was also an over-

whelmingly pro-Israeli administration in Washington — Ronald Reagan's — and a weak Arab negotiating partner — Lebanon. Israel, unrestrained by Washington, imposed an asymmetrical peace treaty on Lebanon, known as the "May 17th agreement."

The Lebanese government signed it, but the public revision in Lebanon soon toppled the Lebanese government and led to an explosion of anti-Israeli terrorism that drove Israel from Lebanon.

Oh, you say you never knew Israel and Lebanon signed a peace treaty? That's the point. Israel has no interest in that sort of treaty with the Palestinians. It is precisely when you are strongest that you have to know how to limit your appetite for your own good.

Remember, there have always been two Jerusalems. The symbolic Jerusalem that politicians, messianics and Crusaders exploit. And the living Jerusalem, a multi-ethnic city, cherished by Jews, Muslims and Christians.

The symbolic Jerusalem thrives when one community clearly has it all, and its exclusive vision reigns. The living Jerusalem thrives when no one has it all, and ambiguity reigns. The more the cynical force their symbolic Jerusalem onto the real world, the more the living Jerusalem will become unlivable.

The New York Times

### IN OUR PAGES: 100, 75 AND 50 YEARS AGO

#### 1895: Eggs for England

PARIS — [The Herald says in an editorial:] It has long been known that Russia supplies England with nearly half as much wheat, oats and barley as are grown in the whole of England. But it could scarcely have been believed that Russia, among other items, supplies England with two hundred million eggs in the year. Surely this is a disastrous testimony to the helpless condition of *la petite culture* in Great Britain. The English agriculturalist would do well to wake up and "look alive."

#### 1920: Too Few Teachers

PARIS — According to official figures, 16,279 schools in the United States are closed because teachers cannot be obtained. So long as the fishing is good, the boys will not complain. The

teachers have taken jobs that pay better than teaching. They might have started classes for school-board members in the relations between ethics and economics.

#### 1945: Friendly Tennessee

PARIS — [The Herald says in an editorial:] A story emerging from Manila carries a situation which an O. Henry might have savored fictionally. When Japanese in control of a part of southwestern Luzon were gathering up suspects they found themselves in possession of an elderly Irish-American named Laminan, who had lived in the Philippines since the Spanish-American War. Questioned as to his name and nativity, Laminan replied that he was from Tennessee. When asked where Tennessee was, he replied that it was in Japan. He had no war with Tennessee. You may depart, you are a non-belligerent national.

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## CYBERSCAPE

### Tiny Psion Pursues Giants In the Palm of Your Hand

By Miranda Haines  
Special to the Herald Tribune

LONDON — He tells an L.A. story. David Potter, chairman of Psion PLC, works from a modest but spacious office in London and laughs about an eccentric Hollywood producer. This film executive has become so hooked on his palm-top computer that he is producing a \$5 million film starring two heroes: a crime-busting cop and his pocket Psion, which he plugs into the wealth of data available on the Internet to help him track down a killer.

But even tracking down killers might be an easier task than competing globally against Japanese electronics companies, the job that Psion has given itself in the market for the smallest computers, called palm-tops or expandable organizers. According to recent estimates, while Sharp Corp. shipped 280,000 organizers in the U.S. market last year, Psion was closing in with 220,000, followed at a distance by Casio Computer Co. with 60,000.

Mr. Potter said Psion did not have enough capital to tackle the North American market when it began selling organizers in the early 1980s, though it now has arranged for 2,500 outlets. He also said Psion was the market leader in Europe "by quite a long way."

But would a \$70 billion-a-year company such as Sharp even bat an eyelid over Psion's \$100 million operation?

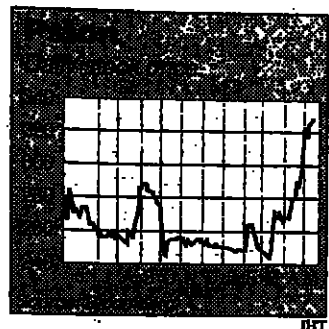
Rosemary Eccles, product group manager for Sharp's personal business products, conceded that Psion was having an impact.

"Psion is hitting our expandable market," she said. "They have more options of additional software, such as dictionaries, than Sharp." But, she contended, "They are a one-product company and do not offer the choice Sharp does."

Sharp concentrates on winning brand loyalty by producing an electronic organizer for \$20. "When the customer wishes to upgrade, then we hope they will buy Sharp again because we concentrate on the whole spectrum of clients' needs," Ms. Eccles said.

To Mr. Potter, however, Psion's narrow focus is a strength: "We don't have to worry about microwave ovens like Sharp does. We are in a very specific area. In new markets, it's often young, smaller companies that set the pace because they are extremely focused."

While Sharp offers a wide range of palm-tops and the slightly larger hand-held computers priced at as much as \$500, Psion's success rests largely on its Series 3 models, priced at \$200 to \$600 in the United States. About the size and shape of an eyeglass case, the top-



See PSION, Page 13

## How to Spot the Seams at Singer

By Reed Abelson  
New York Times Service

NEW YORK — Investors love a good story, and Singer Co. has all the makings of a best-seller: a strong brand name, operations in exploding consumer markets such as China and India and plenty of fans on Wall Street.

Singer, which is synonymous with sewing machines, also uses its name to sell televisions, refrigerators and washing machines in more than 100 countries. Analysts rave about the company's consistent earnings, which have risen for 23 consecutive quarters. James H. Ting, 44, the Chinese-Canadian businessman who took over Singer in 1989, wants people to consider the stock as much a blue-chip as Du Pont Co. or Coca-Cola Co. Singer, however, is not the real thing. Without doing anything illegal, and with the blessing of auditors at Ernst & Young, the company employs a myriad of tactics to brighten its profit picture.

Nearly one-fifth of the \$98.5 million that the company earned last year came from sources other than basic operations: asset sales, one-time investment gains and interest income and fees from affiliated companies.

Singer's story provides clear examples of reasons that investors need to look at more than just the bottom line to determine the quality of a company's earnings.

The basic lessons:

• Profits can be too predictable.

Wall Street hates to be surprised, and Singer has a history of meeting analysts' earnings-per-share expectations quarter after quarter, almost to the penny.

Only the devaluation of the Mexican peso caused the company to miss the mark by 9 cents when it reported fourth-

quarter 1994 results — the first time Singer's earnings had significantly trailed expectations since it went public in 1991.

Whenever a company's profit projections are so completely on target, however, investors should wonder how it is pulling off the feat — especially when it is subject to wildly fluctuating currencies.

• Family ties can be too close.

Investors should also look out when

Without doing anything illegal, the company employs tactics to brighten its profit picture.

much of a company's business involves dealings with related businesses. Singer has close ties to a Canadian holding company, Semi-Tech Corp., and Mr. Ting is chairman of both companies.

Semi-Tech (Global) Ltd., a Hong Kong-based company also headed by Mr. Ting, bought Singer in 1989 from a group including Paul A. Bilzerian, the former Singer chairman who was convicted that year of securities fraud and sentenced to four years in prison. Semi-Tech later sold a majority of Singer's shares to the public.

Almost half of Singer's stock is still owned by Semi-Tech, however, and only two of its eight directors are not linked to Semi-Tech. "It's very incestuous," said Howard Schilit, who heads the Center for Financial Research and Analysis in Rockville, Maryland.

Singer seems to use these relationships to particular advantage. For instance, Semi-Tech Global, a company in which

Semi-Tech Corp. has a big stake, owns a group of backluster businesses that used to be owned by Singer. If the businesses turn around, Singer has the right to buy them at low prices — indeed, it has already bought back seven of the original 12.

• The best profits are the year-in, year-out kind.

Of the \$98.5 million profit that Singer reported for last year, a high 18 percent came from one-time gains: a \$4.7 million profit on investments, foreign-exchange gains of \$600,000, asset sales totaling \$4.8 million, \$5.3 million in interest income and \$2 million in consulting fees.

• Cash is more important than earnings.

At healthy companies, cash flow — which excludes noncash items such as depreciation — roughly approximates net income over time.

In Singer's annual report, Mr. Ting says that its cash flow "remained strong," as \$46 million more cash flowed into the company's coffers than flowed out last year.

That claim would be beyond question if all the incoming cash came from operations. But at least \$132 million came from a rise in borrowings. Looking just at operations, Singer's cash flow has significantly trailed its reported earnings.

• Cash beats credit any day.

Whenever a company allows consumers to buy its wares on generous terms, investors should look for signs that customers are not paying their bills.

In Singer's case, half its sales come from Asia and Latin America, and much of its success results from making it easy for people of limited means to buy items such as refrigerators on credit.

## America Ready To Pull Trigger On Auto Tariffs

Compiled by Our Staff From Dispatches

WASHINGTON — Insisting that "we've been hitting that brick wall long enough," President Bill Clinton used his weekly radio address Saturday to pledge swift retaliation against Japan if it maintained its barriers to imports of American cars and automobile parts.

"I am determined to open Japan's auto market," said Mr. Clinton, just back from meetings with President Boris N. Yeltsin in Moscow. "That's why I've asked my administration to draw up a list of potential sanctions to impose against Japanese imports. We are prepared to act. And we will act soon if we must."

Mickey Kantor, the U.S. trade representative, said last week that Washington also planned to take the dispute to the World Trade Organization in Geneva, but the president did not mention this in his talk.

The WTO, which came into existence at the beginning of this year, is charged with upholding the rules of international trade.

Mr. Clinton did not indicate what sanctions he expected his aides to propose. But prohibitive tariffs on luxury cars, minivans and perhaps sport-utility vehicles were believed to be the most likely ideas. Such tariffs could be as much as double the U.S. consumer prices for those Japanese vehicles.

An article in the Yomiuri Shimbun newspaper in Japan said America would impose tariffs of 100 percent on 13 models of luxury cars. Quoting unidentified sources and a draft of the sanctions said to have been obtained Saturday, the report said the measures would affect five models produced by Toyota Motor Corp., three made by Nissan Motor Co., two made by Mazda Motor Co. and one made by Mitsubishi Motors Corp.

Toyota's Lexus, Nissan's Infiniti and Honda's Acura Leg-

end would be among the models targeted, the report said.

The prospect of such sanctions provoked a protest from owners of foreign-car dealerships in the United States. In a letter to Mr. Kantor, Walter E. Huizenga, president of the American International Automobile Dealers Association, said, "These sanctions will devastate our members and their employees and increase the cost of autos for hard-working American consumers."

The process of imposing trade sanctions takes several weeks, and any measures would probably not be imposed before Mr. Clinton is due to meet with Prime Minister Tomichi Murayama of Japan in June at the summit meeting of the Group of Seven industrialized nations in Halifax, Nova Scotia. That meeting could lead to an agreement to halt the sanctions process.

According to the Kyodo news agency in Japan, Ryutaro Hashimoto, the trade minister, will probably meet with U.S. Commerce Secretary Ronald H. Brown next week in Paris at a ministerial session of the Organization for Economic Cooperation and Development, Japanese officials said Mr. Brown had requested the meeting with Mr. Hashimoto to discuss the trade dispute.

In his address, Mr. Clinton said America and Japan had concluded 14 agreements over the past 27 months "to open Japan to everything from our apples to our rice, our telecommunications equipment to our construction services."

Opening Japan's market to the same extent as the American market, Mr. Clinton said, would be good for both American and Japanese companies.

"Opening Japan's markets is a win-win situation for everyone," he said. "But old habits and entrenched interests die hard."

(LAT, Bloomberg)

## Dollar Rise Fails to End All Doubts

By Carl Gewirtz  
International Herald Tribune

PARIS — Only time will tell whether the dollar's stunning recovery against the yen and the Deutsche mark will be durable as many optimists say. In the meantime, doubters suspect it is only a fireworks display set off by hedge funds — aggressive operators of huge pools of money that are prepared to bet the house for a quick profit.

Last week's turnaround, which left the dollar with a 5.4 percent gain at 1.4480 DM and a 3.3 percent rise at 86.75 yen, was "driven by hedge funds," Neil MacKinnon, an analyst at Citibank, asserted.

"The initial impetus came from a couple of hedge funds in the United States," he said. "Dollar-buying was not widespread, it's been very patchy and took place in a fairly thin market — which accounts for the extraordinary volatility that we've seen."

The absence of liquidity, he said, "showed that most investors are on the sidelines."

Institutional investors, who move money on the basis of at least a medium-term strategy, "eye the dollar's move with caution," Mr. MacKinnon said. "They are not prepared to 'join the frenzy,' he said, because 'they recognize that nothing fundamental has changed, that the long-term outlook for the dollar remains negative.'"

Ronald L. Leven at J.P. Morgan & Co. agreed that "hedge funds clearly participated." But, he insisted, "That's not the only story. We've seen some buying of dollars from Japan, and we've seen some weakness of the mark in Europe following the French presidential election."

In addition, Mr. Leven cited what he called a seasonal factor.

See DOLLAR, Page 13

## Iran Tries to Prove a Point on Oil

Angela Ridder

AHWAZ, Iran — To demonstrate its sustainable capacity, National Iranian Oil Co. has ordered an increase in oil output to 4.1 million barrels per day from 3.6 million during the week that began last Friday, state officials said.

The decision to push output far above Iran's OPEC quota of 3.6 million barrels per day was announced Saturday. It came against a backdrop of persistent reports that Iran was unable to reliably pump up to its quota set by OPEC.

"This rate of production is to show our potential," said Nosratollah Espiari, National Iranian Oil Co.'s assistant managing director for production in onshore oil fields. Mr. Espiari said that about 3.6 million barrels were being produced onshore and the balance from offshore fields this

week. The exercise did not appear designed to surpass Iran's OPEC quota for more than a week.

Mr. Espiari said that National Iranian Oil Co. had been pumping about 3.15 million barrels per day onshore prior to Saturday's decision. That figure added up to 3.6 million barrels per day when combined with 450,000 barrels per day of offshore output.

Gholamreza Aghazadeh, Iran's oil minister, has said that Iran's capacity was 4.2 million barrels per day.

Oil officials played down the effect that a U.S. trade ban and difficulty in obtaining foreign financing has had on Iran's ability to maintain oil output. Drilling officials said they had managed so far to continue drilling by obtaining spare parts for U.S.-made rigs through third parties or by making domestic copies.

### Auckland Notebook

## Tourist Trouble Brews With America's Cup Victory

Having won the America's Cup, Auckland is counting on New Zealand's Black Magic sailing syndicate to bring a serious windfall back along with yachting's most expensive prize.

But as the likely host city for a New Zealand defense of the Cup in about four years' time in the nearby Hauraki Gulf, sleepy, harborside Auckland could face a serious challenge of its own: accommodating the thousands of yachting, media and tourists who could swarm into town for months on end to watch the races.

The New Zealand Tourism Board predicts that tourism will bring 9 billion New Zealand dollars (\$6 billion) into the country between now and the end of the decade. But as the recent annual meeting of the Asian Development Bank in Auckland showed, an influx of an estimated 1,700 visitors severely taxed the city's accommodation capacity. Further investments are needed.

Last year, the Tourism Board estimated that 2.79 billion dollars worth of investments were required in the country to cope with the industry's fast growth, with just under one-third going into accommodation and the rest largely into transport.

With its pristine natural environment, empty spaces and welcoming people, tourism has already shaped up as one of New Zealand's fastest-growing industries. Analysts say tourism is likely to become the country's largest single foreign-exchange earner.

### Kiwi Feathers Ruffled

If foreign investors are eyeing stakes in what is left of New Zealand's independent blue-chip corporate sector, they had better move fast. Many of the best assets are already in foreigners' hands, and growing resentment against further sell-offs could slow an influx that otherwise could quicken, given New Zealand's steady economic turnaround.

"There could still be some bargains out there," said Stephen Franks, chairman of corporate law firm Chapman Tripp Sheffield Young. "Some boards have to be worried to see their shares undervalued. But there will be much more political difficulty over takeovers than we've had to date. There will be foreign investors saying, 'We're lucky we got in when we did.'"

Earlier this month, the Irish entrepreneur Tony O'Reilly snapped up a 28.3 percent stake in the newspaper publisher Wilson & Horton Ltd., owners of the country's largest circulation daily newspaper, the New Zealand Herald. In April, International Paper Co. of the United States raised its 27.3 percent stake in the forestry concern Carter Holt Harvey Ltd., New Zealand's second-largest listed company, to a 50.1 percent holding.

The two deals came after years of government asset sales, largely to foreigners, and a corporate fire sale that has seen most New Zealand banks

taken over by Australian and British rivals.

"It's not the first takeover and it won't be the last," said David Oskim, Carter Holt Harvey's chief executive and managing director, of International Paper's decision to gain control of his company. "There is no way a nation of 3.5 million can come up with the capital required for overall investment here, which is growing as it tries to add value to its commodity exports."

That may be true, but minor parties that may play an important role in forming a coalition government after national elections in 1996 do not necessarily agree. "The political climate is not such that International Paper could take 100 percent of Carter Holt Harvey," said Hugh Amundsen, research head with ANZ McCaughan Securities (NZ) Ltd. "By maintaining its stock listing it waters down the perception of control."

### Lords Appeal to Maoris

Although it appears to be far more relaxed with the idea of Queen Elizabeth II of Britain continuing as its head of state than does its neighbor Australia, New Zealand nonetheless is hoping to cut an important colonial tie: It wants to end a practice whereby London houses its highest court of appeal.

Despite their political independence, many former colonies including New Zealand have continued to recognize

the Privy Council, a law committee of Britain's House of Lords, as the final arbiter in complex legal cases in their countries. As a question of sovereignty and national pride, ending this practice would appear to have strong appeal.

But opposition to such a change in New Zealand is coming from an unlikely quarter. Many Maori people, descendants of the tribes who were the original inhabitants of New Zealand, would prefer the old system to stay intact. Although it was the British Crown that originally took their lands years ago, many Maoris now pressing for a return of their lands or compensation fear that a New Zealand-only appeals court would be less sympathetic to their cause.

Some features of the 1840 Treaty of Waitangi between Britain and the Maori chiefs pertaining to land rights remain unresolved. "It's unlikely that the Privy Council, a conservative body which is reluctant to take a controversial position on lines like these, would offer Maori-dominant practical support," said one New Zealand government official.

"But bearing in mind that the growth of a more autonomous New Zealand government brought with it more abuse of the Treaty, one can understand their concerns."

Kevin Murphy

## CURRENCY RATES

Cross Rates									
	\$	£	DM	FF	Yen	Sc	Sw	DK	Other
Australia	1.3825	0.6175	1.3825	1.3825	1.3825	1.3825	1.3825	1.3825	1.3825
Canada	0.7075	0.3925	0.7075	0.7075	0.7075	0.7075	0.7075	0.7075	0.7075
France	1.3660	0.7340	1.3660	1.3660	1.3660	1.3660	1.3660	1.3660	1.3660
Germany	1.3660	0.7340	1.3660	1.3660	1.3660	1.3660	1.3660	1.3660	1.3660
Italy	1.3660	0.7340	1.3660	1.3660	1.3660	1.3660	1.3660	1.3660	1.3660
Japan	1.3660	0.7340	1.3660	1.3660	1.3660	1.3660	1.3660	1.3660	1.3660
South Africa	1.3660	0.7340	1.3660	1.3660	1.3660	1.3660	1.3660	1.3660	1.3660
Spain	1.3660	0.7340	1.3660	1.3660	1.3660	1.3660	1.3660	1.3660	1.3660
Sweden	1.3660	0.7340	1.3660	1.3660	1.3660	1.3660	1.3660	1.3660	1.3660
Switzerland	1.3660	0.7340	1.3660	1.3660	1.3660	1.3660	1.3660	1.3660	1.3660
Taiwan	1.3660	0.7340	1.3660	1.3660	1.3660	1.3660	1.3660	1.3660	1.3660
UK	1.3660	0.7340	1.3660	1.3660	1.3660	1.3660	1.3660	1.3660	1.3660
US	1.3660	0.7340	1.3660	1.3660	1.3660	1.3660	1.3660	1.3660	1.3660

Source: U.S. Dollar (100 cents), British Pound (100 pence), German Mark (100 pfennigs), French Franc (100 centimes), Japanese Yen (100 rin), Swedish Krona (100 öre), Danish Krone (100 halvers), Norwegian Krone (100 øre), Australian Dollar (100 cents), Canadian Dollar (100 cents), South African Rand (100 cents), Spanish Peseta (100 céntimos), Swiss Franc (100 centimes), Taiwanese Dollar (100 cents), UK Pound (100 pence), US Dollar (100 cents).

## Eridania Calls Off Its Bid To Buy American Maize

Bloomberg Business News

PARIS — Eridania Béghin-Say SA has ended its five-month-old effort to acquire American Maize-Products Co. for as much as \$440 million, citing an unfavorable court ruling.

"Despite our efforts, we regret that it appears the conditions for a successful completion of the transaction as we proposed cannot be met," the company's chairman, Stefano Meloni, said late Friday.

Eridania's \$40-a-share bid was thwarted by a legal challenge by American Maize's chairman, William Ziegler 3d, who sought to keep control of the company his grandfather founded.

An opinion last week by the Supreme Judicial Court in Maine confirmed a ruling made a month earlier that effectively blocked the French agricultural and industrial concern's offer for the American maker of corn starch, sweeteners and tobacco products.

That action by Maine's highest court nullified a lower court's ruling against Mr. Ziegler and prevented American Maize from issuing 757,943 new Class B shares, a move that would have diluted Mr. Ziegler's control.

"As a practical matter, this would allow the directors to stuff the corporate ballot box," the court said in its ruling.

Executives of Eridania declined to comment further. Mr. Ziegler and other executives of American Maize could not be reached for comment.

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## CAPITAL MARKETS ON MONDAY

## Most Active International Bonds

The 250 most active international bonds traded through the Euroclear system for the week ending May 12. Prices supplied by Telekurs.

Rk	Name	Cm	Maturity	Price	Yield
1	Belgium 6%	10/26/97	102.120	7.340	
2	Belgium 6%	03/31/05	92.490	7.520	
3	Canada 10%	09/15/00	64.500	7.920	
4	Denmark 7%	12/15/04	91.200	7.480	
5	Denmark 7%	05/15/03	98.300	8.120	
6	Denmark 7%	11/15/00	101.000	8.100	
7	Denmark 7%	08/15/99	100.400	9.200	
8	Denmark 7%	11/15/98	103.800	8.400	
9	Denmark 7%	11/15/98	104.500	8.100	
10	Denmark 7%	12/15/99	93.800	6.700	
11	Denmark T-bills 7%	07/03/95	99.100	6.700	
12	Denmark 7%	11/15/96	102.600	6.200	
13	Denmark 7%	10/02/95	97.810	5.700	
14	Denmark 7%	01/02/96	94.737	5.200	
15	Denmark 7%	08/15/97	99.800	7.010	
16	Denmark T-bills 7%	01/02/96	94.737	5.200	
17	Denmark 7%	02/10/96	98.300	5.400	
18	Denmark 7%	02/10/96	98.300	5.400	
19	Denmark 7%	02/10/96	98.300	5.400	
20	Denmark 7%	02/10/96	98.300	5.400	
21	Denmark 7%	02/10/96	98.300	5.400	
22	Denmark 7%	02/10/96	98.300	5.400	
23	Denmark 7%	02/10/96	98.300	5.400	
24	Denmark 7%	02/10/96	98.300	5.400	
25	Denmark 7%	02/10/96	98.300	5.400	

Rk	Name	Cm	Maturity	Price	Yield
1	Germany 6%	12/20/95	102.300	6.500	
2	Germany 6%	12/20/95	102.300	6.500	
3	Germany 6%	12/20/95	102.300	6.500	
4	Germany 6%	12/20/95	102.300	6.500	
5	Germany 6%	12/20/95	102.300	6.500	
6	Germany 6%	12/20/95	102.300	6.500	
7	Germany 6%	12/20/95	102.300	6.500	
8	Germany 6%	12/20/95	102.300	6.500	
9	Germany 6%	12/20/95	102.300	6.500	
10	Germany 6%	12/20/95	102.300	6.500	
11	Germany 6%	12/20/95	102.300	6.500	
12	Germany 6%	12/20/95	102.300	6.500	
13	Germany 6%	12/20/95	102.300	6.500	
14	Germany 6%	12/20/95	102.300	6.500	
15	Germany 6%	12/20/95	102.300	6.500	
16	Germany 6%	12/20/95	102.300	6.500	
17	Germany 6%	12/20/95	102.300	6.500	
18	Germany 6%	12/20/95	102.300	6.500	
19	Germany 6%	12/20/95	102.300	6.500	
20	Germany 6%	12/20/95	102.300	6.500	
21	Germany 6%	12/20/95	102.300	6.500	
22	Germany 6%	12/20/95	102.300	6.500	
23	Germany 6%	12/20/95	102.300	6.500	
24	Germany 6%	12/20/95	102.300	6.500	
25	Germany 6%	12/20/95	102.300	6.500	

## Dollar Is Helping Revive Investment

By Carl Gewirtz  
International Herald Tribune

PARIS — International investment flows are reviving, after having been stalled for the better part of a year by upheavals in the foreign-exchange market and uncertainty about the direction of interest rates.

The catalysts have been the recovery of the dollar, which is relieving exchange-rate strains in the European Monetary System, a reassessment of the economic outlook (based on slower-than-expected growth nearly everywhere), and reduced political uncertainty, notably in Italy and France.

Bankers said many investors who missed the explosive rally in the U.S. bond market are moving into the high-yielding European markets, which stand to benefit not only from the general détente on interest-rate expectations but also from reduction in the risk premium previously attached to those markets.

"There's been a fundamental change," said one British banker. "Investors are no longer obsessed about risk — they're greedy for yield." Particularly the double-digit coupons available in Italy, Spain and Sweden at a time when yields in the core

U.S. and German markets are below 7 percent and declining. In Italy, for example, the performance of Prime Minister Lamberto Dini's government on reforming pensions and repelling the threat of a snap election is being rewarded with a dramatic narrowing in the amount of extra return previously needed to attract buyers of debt denominated in lire.

Thus, in a week where yields on long-term debt in Deutsche marks — the benchmark for all of Europe — declined a mere five basis points, or 0.05 percentage point, the yield on lire bonds fell 55 basis points. That was possible because the risk premium is collapsing and now stands at 520 basis points over German rates, compared with 570 a year earlier.

The Spanish market also outperformed Germany, with yields on 10-year government paper falling 47 basis points as the risk premium over Germany narrowed to 437 basis points. In Sweden, yields fell 34 basis points, in Denmark 23, in France 24 and in Britain 13.

In Italy and Spain, and to a lesser extent Britain, the gains are beginning to look stretched given the outlook for large increases in inflation, which is bad news for holders of fixed-income securities. On the other

hand, analysts say, Spain and Italy are summer tourist meccas, which means that regardless of what happens to bond prices, their currencies should continue to appreciate.

The main international event this week will be the re-opening of the new-issue market in French francs, closed since March over uncertainty about the outcome of the May 8 presidential election. Portugal is scheduled to launch the first-ever global issue denominated in francs.

A global franc bond has been on the drawing board for a year. Like the existing global in dollars, Deutsche marks and yen, the new issue will be large: at least 5 billion francs and possibly as much as 7 billion. The timing is perceived to be a bit risky as there remains considerable uncertainty about how President-elect Jacques Chirac will implement his promise to reduce unemployment and how much risk he will take with the current government's commitment to keeping the franc strong against the Deutsche mark.

"The likely appointment of Alain Madelin, a former critic of the franc fort policy, may focus attention on the possibility of a less-stringent Deutsche mark target," said Jonathan

Davies, an analyst at UBS Securities. This could weigh on the franc and lead to a sell-off in the bond market, he warned.

Overall, new-issue activity remains subdued, with potential borrowers preferring to wait to see how far interest rates fall before locking in fixed-rate money or feeling put off by the inability to swap into low-cost floating-rate exposure.

One exception was in Japan. Europeans led by Sweden, moreover, have been active in selling fixed-rate bonds and swapping the proceeds into dollars. Sweden, which issued 100 billion yen (\$1.15 billion) of seven-year notes was reported to have swapped the proceeds into dollars at seven basis points below the London interbank offered rate, the rate charged on Eurodollar loans among banks.

One of the few issuers willing to take fixed-rate money was Glaxo Wellcome PLC, which is seeking to refinance the short-term debt it raised for its \$9 billion takeover of Wellcome PLC. It issued \$500 million of five-year notes and \$500 million of 10-year bonds that were readily gobbled up by investors attracted by the pick-up of some 37 basis points over what government paper in those markets was yielding.

## Bonds Look for a Breather

Traders Expect a Break in Prices' 2-Day Decline

By Carl Gewirtz  
International Herald Tribune

NEW YORK — The Treasury market's recent rally faltered last week, and analysts and traders predicted prices would consolidate near current levels this week.

Prices peaked Wednesday, with the yield on the two-year note falling below 6 percent and the 30-year bond slipping to

its lowest yield in more than a year, but their subsequent drop suggests prices may have a hard time regaining those heights over the next couple of weeks.

The 30-year bond ended the week at a yield of 6.99 percent, down from 7.02 percent a week earlier but well above the low of 6.85 percent it touched Wednesday. The yield on the two-year note was unchanged on the week at 6.17 percent.

Still, traders said the market's performance in recovering from early losses Thursday and Friday showed enough buying interest at lower levels to prevent serious price declines for now.

## U.S. CREDIT MARKETS

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## Australia Expects Budget to Pay Off In Falling Rates

By Carl Gewirtz  
International Herald Tribune

CANBERRA — Treasurer Ralph Willis reinforced on Sunday the market perception that Australian interest rates will not be raised in the near future. "The general acceptance is that interest rates seem to have peaked," Mr. Willis said on television.

Mr. Willis said the budget he unveiled Tuesday for the year beginning July 1 had added to investor confidence that rates had peaked. The budget surprised investors by showing a surplus, a result of asset sales, spending cuts and tax increases.

"I certainly see that the budget has been helpful in taking the pressure off interest rates," Mr. Willis said. "That was one of its key objectives."

The Reserve Bank of Australia last year increased rates three times, raising its key rate to 7.5 percent from 4.75 percent.

Employment Minister Simon Crean, however, warned on another television program that Australian rates remained vulnerable to international considerations. One can "never be certain" rates will not rise, he said, because they can be "influenced by international pressures."

Tuesday

## STYLE

From Paris to Milan, from New York to Tokyo, fashion editor Suzy Menkes covers the fashion front. With additional reporting on lifestyle issues, the Style section provides up-to-date information on developments in the changing world of creative design.

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## New International Bond Issues

Compiled by Laurence Desvillettes

Issuer	Amount (millions)	Mat.	Coup. %	Price	Price and week	Terms
<b>Floating Rate Notes</b>						
Banco Latino Americano de Exportaciones	\$225	1996	3/4	99.25	—	Over 3-month Libor. Noncallable. Fees 0.25%. Denominations \$10,000. (Citibank Int'l.)
Credicorp Overseas	\$150	1999	3/16	99.98	—	Over 6-month Libor. Noncallable. Fees 0.25%. Denominations \$10,000. (Morgan Stanley Int'l.)
Hyundai Electronics America	\$340	2000	1/2	100	—	Over 6-month Libor. Sell into 2 tranches. One being noncallable and the other one callable and redeemable at par in 1998. Fees not disclosed. (Korea First Finance.)
Industrial Finance Corp. of Thailand	\$100	2000	1/4	99.74	—	Over 6-month Libor. Noncallable. Fees 0.15%. (Merrill Lynch Int'l.)
IMI Bank Int'l	\$500	2000	1/4	99.43	—	Over 3-month Libor. Noncallable. Fees 0.20%. (PaineWebber.)
National Bank of Canada	\$150	2000	1/4	99.82	—	Over 3-month Libor. Noncallable. Fees 0.175%. Denominations \$10,000. (PaineWebber.)
<b>Fixed-Coupons</b>						
BNG Bank	\$250	2005	7	101.75	99.22	Reoffered at 99.46. Noncallable. Fees 2%. (ABN-AMRO Bank.)
Federal National Mortgage Association	\$500	2000	6.25	100	99.99	Callable at par from 1998. Fees 0.35%. (J.P. Morgan Securities.)
Glaxo Wellcome	\$200	2000	4 1/4	101 1/2	99.25	Reoffered at 99.90. Noncallable. Fees 1%. (CS First Boston.)
PepsiCo	\$200	1999	zero	78 1/2	—	Yield 6.37%. Noncallable. Proceeds \$156 million. Fees 0.30%. (Daiwa Europe.)
Wal-Mart Stores	\$200	2002	6 1/4	100.92	98.40	Reoffered at 99.32. Noncallable. Fees 1%. (Goldman Sachs Int'l.)
Glaxo Wellcome	\$500	2005	8 1/4	101.95	99.45	Reoffered at 99.425. Noncallable. Fees 2%. (HSBC Markets.)
World Bank	¥1,200,000	1997	2 1/2	83.05	—	Yield 7.715%. Noncallable. Proceeds 144 billion lire. Fees 1 1/2%. (Banca Nazionale del Lavoro.)
Asean	¥250	perp	8	101.40	—	Reoffered at 100.55. Callable at par in 2005, when coupon may be reset. Fees 2%. (ABN-AMRO Bank.)
IKB Deutsche Industriebank	¥200	2005	7 1/4	101 1/2	100.15	Reoffered at par. Noncallable. Fees 2%. (ABN-AMRO Bank.)
New South Wales Treasury Corp.	Aus\$100	2005	9 1/4	101.05	98.40	Noncallable. Fees 2 1/4%. (Hambros Bank.)
Boden Wuerstemberg L-Finance	¥50,000	2002	3 1/4	100.30	—	Noncallable. Fees 0.30%. Denominations 100 million yen. (Mitsubishi Finance.)
Fuji Finance	¥10,000	2002	3 1/4	100.30	—	Noncallable. Fees 0.30%. Denominations 100 million yen. (Nikko Europe.)
Land Wirtschaffliche Gemeinschaft	¥5,000	2005	4 1/4	100.25	—	Coupon payable in Australian dollars after 2000. Issue split into 5 tranches, with coupon rising to 5.25, 5.50 or 5.75% after 2004. Noncallable. Fees 0.325%. (Nomura Int'l.)
Landwirtschaft Rentenbank	¥15,000	2010	5	100.40	—	Coupon payable in Australian dollars after 2000. Issue split into 5 tranches, with coupon rising to 5.25, 5.50 or 5.75% after 2004. Noncallable. Fees 0.325%. (Nomura Int'l.)
Sumitomo Realty and Development	¥10,000	1999	2 1/4	101.40	—	Reoffered at 100.55. Noncallable. Fees 1%. (Nippon Credit Int'l.)
Sumitomo Realty and Development	¥30,000	2000	3	101 1/2	—	Reoffered at 100.30. Noncallable private placement. Fees 1%. (Daiwa Europe.)
Sweden	¥100,000	2002	3 1/4	100	—	Noncallable. Fees 0.30%. Denominations 10 million yen. (Nomura Int'l.)
WestLB Finance (Caracas)	¥20,000	2001	3	100.25	—	Noncallable. Fees 0.275%. Denominations 100 million yen. (Sanwa Bank.)

## Last Week's Markets

All figures as of close of trading Friday.

Stock Indexes	United States	May 12	May 5	Change
DJ Inds.	4,008.54	4,030.40	+21.86	
DJ Inds.	1,674.74	1,678.20	+3.46	
DJ Trans.	1,651.11	1,654.10	+2.99	
S & P 500	920.55	921.12	+0.57	
S & P 100	6,642.34	6,645.14	+2.80	
NYSX Co	20,500	20,510	+10	
FTSE 100	3,310.20	3,315.00	+4.80	
Nikkei 225	14,020.76	14,084.11	+63.35	
DAX	2,061.92	2,063.03	+1.11	
Hong Kong	9,277.85	9,332.17	+54.32	
World MSCI	670.00	670.00	—	

Money Rates	United States	May 12	May 5	Change
Discount rate	5 1/2	5 1/2	—	
Prime rate	8 1/4	8 1/4	—	
Federal funds rate	5 1/4	5 1/4	—	
Japan	5 1/2	5 1/2	—	
Discount	1 1/2	1 1/2	—	
3-month interbank	4 1/2	4 1/2	—	
6-month interbank	4 1/2	4 1/2	—	
3-month interbank	4 1/2	4 1/2	—	
Bank base rate	6 1/4	6 1/4	—	



## SHORT COVER

## McBride Plans Initial Public Offering

LONDON (Bloomberg) — McBride Ltd., the former consumer-products unit of British Petroleum Co., plans to sell shares to the public and to seek a listing on the London Stock Exchange, S.G. Warburg, the lead underwriter for the sale, said Sunday.

McBride distributes soaps, shampoos, deodorants and other personal-care products to supermarkets and other retailers for sale under their own brand names. The share sale, expected to be held this summer, could raise \$350 million (\$546 million), Warburg said.

McBride had sales of £409 million and operating profit of £34.9 million in the year ended June 30, 1994. The company is a former unit of BP Nutrition, which was sold by the oil company in 1993 and 1994. It was acquired by a management team for £275 million in May 1993.

## Dow Acquisition Could Cost Germans

BOON (Reuters) — German taxpayers could have to pay nearly 10 billion Deutsche marks (\$6.9 billion) to support the U.S.-based Dow Chemical Co.'s purchase of the East German chemical concern BMA, Der Spiegel magazine reported.

Der Spiegel on Saturday quoted an estimate by the successor agency to Germany's Treuhandanstalt privatization agency, charged with selling off or closing down former East German enterprises after national unification.

Dow Chemical agreed in April to invest \$2.9 billion to acquire an 80 percent stake in the group, which includes BMA GmbH, Sächsisches Olefinwerke and Leuna Polyolefine GmbH. It was the largest sale of state assets since unification. In a confidential agreement with Dow, the privatization agency pledged to assume the revamped company's losses until 1999. The agency concluded that the state faced an exposure of as much as 9.49 billion DM.

## Jordanian Exports Rose 16% in '94

AMMAN (AP) — Exports rose 16 percent and imports declined nearly 3 percent last year as Jordan continued its austerity program and bolstered the industrial sector, a trade official said Sunday.

Khalid Abu Hassan, chairman of the Amman Chamber of Industry, disclosed the figures at a conference where he announced Jordan's first comprehensive industrial exhibition since 1953. He said the country's exports totaled 793 million dinars (\$1.13 billion) in 1994, compared with 690 million dinars the previous year.

The industrial sector contributed 90 percent of the country's exports, Mr. Abu Hassan said, including phosphate and potash-mining companies, a traditional export mainstay.

## Motorola Set to Launch Security Unit

SCHAUMBURG, Illinois (Bloomberg) — Motorola Inc., which has long experience at designing secure communications systems for governments, was to announce Monday the creation of a unit that would adapt and sell security services to businesses.

Motorola plans to start the business in New York and to introduce prototype products and services as early as June, Peter Browne, head of the new unit to be called Motorola Information Security Solutions, said Sunday.

## Amid Bomb-Business Bust, Los Alamos Turns to Plastic

By Mike Mills  
Washington Post Staff Writer

LOS ALAMOS, New Mexico — "Trust but verify." In federal weapons labs, those words used to apply to enforcing nuclear arms-control treaties. Now, they are aimed at credit-card fraud as well.

MasterCard International Inc. has announced an agreement with Los Alamos National Laboratory in New Mexico, one of three large nuclear-bomb laboratories in the United States, to

develop more sophisticated ways to alert the credit-card company to potential fraud.

The lab has long used sophisticated computer techniques to track signs of proliferation of nuclear weapons around the world. Now, Los Alamos will start using its supercomputers to analyze MasterCard transaction data in hope of finding more details about patterns of fraud.

The agreement is part of the federal labs' efforts to change with the times, moving into civilian work as the need for their bomb-building

services declines. Indeed, MasterCard and Visa USA Inc. as well as other credit-card companies and financial institutions have been using computer modeling in recent years to identify fraud by analyzing transaction irregularities.

Credit-card purchases that occur at unusual times of the day, in larger-than-usual amounts and in cities the cardholder does not typically visit are among those that draw special attention. Banks then phone cardholders to verify that they had in fact made the transactions.

Current technologies include rudimentary

forms of so-called neural network computing — in which computers learn about patterns by analyzing feedback — and "fuzzy logic," which allows computers to make decisions on the basis of data not clearly defined.

Los Alamos hopes to raise its modeling techniques to the next level of sophistication, according to Steve Coggeshall, a physicist who is leading the project. This approach will not only use transaction data but also take into account the types of merchants and types of transactions most often associated with credit-card fraud.

## DOLLAR: Skeptics Are Unmoved

Continued from Page 11

the fact that "traditionally, the dollar performs relatively well in the second quarter." Over the past 10 years, the dollar has advanced six times in the second quarter and held steady once.

Similarly, he said, the dollar "almost always performs poorly in the third quarter." Since 1985, the dollar has declined eight times in the July-September period.

In Mr. Leven's view, speculators are now long on the dollar, "so their ability to buy more is getting limited." In addition, he said he expected European exporters to be eager to sell dollars once its value topped 1.45 DM, as it did briefly Friday.

"The dollar should be able to hold above 1.45 DM," Mr. Leven said. "Were it to hold over that level, it would be significant."

The outlook for the yen is more problematic, he added: "The dollar could get as high as 88 yen. But only if it continued to strengthen in late June and early July would I say we have a real uptrend under way."

"The problem for the dollar over the past two years has been that speculators start buying the dollar and push it up, but when they go to sell, there's nobody else to buy from them, and the dollar then collapses," he said. There was no fundamental reason to expect a different scenario now.

He said the conditions necessary for a real change in the dollar's outlook included "evidence of a sustained decline" in America's current-account deficit, an inversion of the U.S. yield curve — meaning short-term interest rates would have to rise above long-term ones — and a spread between short-term U.S. and Japanese interest rates of "at least 500 basis points," or five percentage points. The current spread between U.S. and Japanese rates on three-month money is 4 11/16 percentage points.

The analysts agreed that the dollar could again test or set new lows against both the yen and the mark, as it did in April.

Mr. MacKinnon said: "It's no surprise that, after falls of nearly 20 percent against the yen and 15 percent against the mark, that you get some pause, some retraction in the dollar's decline. But it will prove short-lived."

In the meantime, the clear beneficiaries of current conditions are some of the formerly battered currencies of Europe.

The combination of dollar weakness and a re-evaluation of prospects for various economies lifted the Swedish krona 3.8 percent against the mark last week. The pound, meanwhile, advanced 3.3 percent, the Italian lira rose 3.2 percent, the Spanish peseta gained 3 percent, and the French franc advanced 1.94 percent.

## The Week Ahead: World Economic Calendar, May 15 - May 19

A schedule of the week's economic and financial events, compiled for the International Herald Tribune by Bloomberg Business News

## Asia-Pacific

• May 15 Earnings expected: Westpac.  
• May 16 Tokyo March machine orders.  
• May 16 Sydney Treasury Secretary Ted Evans to give a speech on the Treasury's outlook in the year ahead to the Australian Business Economists organization.  
Singapore Goodman Fielder Asia Holdings Ltd. to hold meeting to consider changing the company's name to Auric Pacific Group Ltd. among other matters.  
• May 17 Tokyo April steel production.  
• May 18 Tokyo April bank profits.  
Earnings expected: National Australia Bank Ltd.  
• May 19 Tokyo Bank of Japan Gov. Yasuo Matsuura will give a speech at a meeting of the Japanese business group Yomaru Kokusai Keizai Kowari Kai.  
Tokyo April money supply.

## Europe

• Expected this week: Frankfurt April wholesale price index. Forecast: Up 0.3 percent.  
Paris February M-3 money supply.  
Zurich April trade balance. Forecast: Deficit of 350 million Swiss francs.  
Frankfurt April producer price index. Forecast: Unchanged in month and up 1.1 percent in year. Also, March retail sales. Forecast: Down 1.0 percent.  
Zurich first-quarter employment index.  
• May 15 Copenhagen Government economic outlook.  
Frankfurt May Bundesbank report.  
Helsinki April consumer price index. Forecast: Up 0.2 percent in month and up 1.7 percent in year. Also, March industrial production. Forecast: Up 8.7 percent in year.  
London April producer price index excluding food, drink and tobacco. Forecast: Up 4.1 percent in year.  
Earnings expected: Commercial Union.

Munich Franz-Christoph Zentler, a Bundesbank Council member, holds press conference.  
Paris First-quarter employment.  
Earnings expected: Astra, IHS, Metallgesellschaft, RWE.

• May 16 Amsterdam April unemployment rate. Forecast: 7.4 percent.  
Frankfurt The Bundesbank's chief economist, Oskar Lüssing, speaks to the International Business Journalists Forum of Frankfurt.  
Leipzig Olaf Siever, a Bundesbank Council member, holds press conference.  
Madrid First-quarter unemployment. Forecast: 23.7 percent.  
Paris February industrial production. Forecast: Up 0.4 percent.  
Stockholm April unemployment rate. Forecast: 7.4 percent.  
Vienna Edgar Meister, a Bundesbank Council member, gives speech.  
Zurich April producer price index. Forecast: Up 0.9 percent.  
Earnings expected: Allied Domecq, BCC, Celanese, Lufthansa, Hanson, Investor, Linde, National Power.

• May 17 Brussels The European Commission releases its half-yearly economic forecast for the EU.  
Frankfurt President Hans Tietmeyer of the Bundesbank speaks at a ceremony inaugurating Ernst Wehrle as president of the central bank's Hesse branch.

London April public-sector borrowing requirement. Forecast: £3.8 billion. Also, April unemployment. Forecast: Down 25,000.

London March average earnings. Forecast: Up 3.5 percent. Also, March unit wage costs, measured over 3 months. Forecast: Up 1.8 percent in month.

London Minutes from the April 5 monetary meeting of Bank of England Governor Eddie George and Chancellor Kenneth Clarke released.  
Madrid March producer price index. Forecast: Up 0.6 percent in month and up 7.0 percent in year.  
Paris February current account. Forecast: 8 billion francs.  
Cannes, France Cannes Film Festival opens. Through May 28.  
Earnings expected: Commercial Union.

• May 18 Amsterdam March industrial production. Forecast: Up 2.5 percent in year.  
Frankfurt Bundesbank central council meeting.  
London April retail sales. Forecast: Up 0.3 percent and up 1.6 percent in year.  
Stockholm Riksbank board meeting.  
Earnings expected: British Gas, British Telecom, SCA.

• May 19 London April M-4 money supply. Forecast: Up 0.4 percent in month and up 5.7 percent in year.  
Rome March industrial production. Forecast: Up 7.0 percent in year.

## Americas

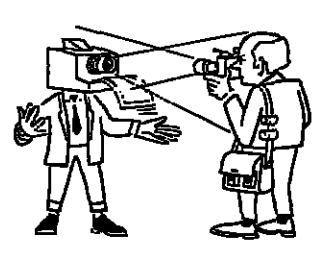
• Earnings expected this week: JDO, Fleming Co., Franklin Electronic Publishing, Parker & Parsley, Resorts International, U.S. Homecare, TUX Cos.  
• May 16 Bermuda The Bank Credit Analyst Research Group conference, "Shifts in Global Liquidity and the Impact on Financial Markets."  
Mexico City The Second Annual Congress of the Americas' Institutional Investor Summit "Investing in Latin America's Debt Markets."  
• May 16 Washington Katharine Abraham, commissioner of the Bureau of Labor Statistics, discusses the consumer price index before the National Economic Club.

Chicago American Iron and Steel Institute's 1995 general meeting, a two-day conference.  
Norfolk, Virginia Inc. 500 Conference for the media to meet with the 500 fastest growing small businesses, as determined by the magazine. Through May 20.

Washington The Philadelphia Federal Reserve releases its monthly survey of economic activity for May.  
Mexico City March retail figures.  
Sao Paulo Inflation figures for 30-day period ending May 15.

Ottawa March international trade.  
Toronto Corporate bonds will be discussed at a meeting sponsored by the Toronto Society of Financial Analysts.  
Earnings expected: Autodesk, Barnes & Noble, Bombay Co., Dresser Industries, Hormel, Navistar.  
• May 19 Washington April money supply.  
Ottawa March retail trade.

Wellesley, Massachusetts Polaroid Corp. meeting with analysts and media.  
Washington April housing starts and building permits, industrial production and capacity utilization.



## Swedish Unions Reject Mediators' Offer

The Associated Press

STOCKHOLM — Hopes of ending a two-week-old overtime ban that has cut production at Volvo AB and other companies faded Sunday after unions rejected a mediators' offer.

The gap between the parties is so big that there is no point in continuing the mediation, a statement issued by the government-appointed mediators said.

Three unions representing 300,000 workers

began an overtime ban May 2 to demand better pay and working conditions.

The mediators' proposal would have raised salaries by 3 percent annually over three years. The head of the metalworkers' union, Goran Johansson, said the bid was too low and was unacceptable because it would allow employers to hire low-paid trainees for extended periods, according to a report from the national news agency TT.

## PSION: Pursuing Giants

Continued from Page 11

of-the-line Psion 3a opens to reveal a small keyboard and screen.

Although too small to allow touch-typing, it can do most things that a desktop computer does. There is an address book, a calendar, a spreadsheet and a word processor, and additional programs can be purchased for money management, games and other purposes. Information can be passed between a Psion and a personal computer if a special cable is purchased.

This month, Psion, said its sales in the first four months of 1995 had shown a "substantial" increase from a year earlier. The company is planning to raise production and add 250 people to its current work force of 750.

Psion's net income more than doubled last year, to £4.2 million (\$6.6 million), on sales of £61.3 million, a 49 percent increase from 1993. Investors have noticed. Shortly before the company announced its results in mid-March, its stock began climbing, rising from 244 pence then to 329 pence Friday, a 35 percent gain in two months.

With its one-product strategy, Psion spends a lot of time studying the ergonomics of its customers. Its market research is based on what it calls psychological analyses, looking at the kinds of people who might buy its products.

"For example, some people are very organized, structured; others are chaotic," Mr. Potter said. "We sell some organizers to that segment, but we also sell to what we call controllers."

These so-called controllers comprise 25 percent of high-income people, according to Psion's research. They seem to be interested in merging palm-top computers with cellular phones so they can be "on-line anytime," Mr. Potter said.

Here, Psion and Sharp are on common ground. "Communications are the future," Ms. Eccles said. But the companies again diverge on strategy: Psion is developing voice-recognition enter data, whereas Sharp is concentrating on writing. "You will be able to jot notes down, shrink it on the screen and fax it off immediately," Ms. Eccles said, although the process is one of imaging, not handwriting recognition, which has had a shaky start in such products as Apple Computer Inc.'s Newton, developed in conjunction with Sharp.

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Great Britain £	210	65	
Ireland Shl.	230	68	
Italy Lire	470,000	145,000	
Luxembourg L.Fr.	14,000	4,200	
Netherlands Fl.	770	230	
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 RHEINHYF, FRANKFURT  
 DEUTSCHE GENOSSENSCHAFTS-HYPOTHEKENBANK AG, HAMBURG  
 FRANKFURTER HYPOTHEKENBANK AG, FRANKFURT  
 DEUTSCHE CENTRAL-BODENKREDIT-AG, KÖLN  
 BAYERSISCHE HANDELSBANK AG, MÜNCHEN  
 WESTHYF, DORTMUND  
 BERLIN HYF, BERLIN  
 SÜDDAUTSCHE BODEN-CREDITBANK AG, MÜNCHEN  
 MÜNCHENER HYPOTHEKENBANK AG, MÜNCHEN  
 HAMBURGER HYF, HAMBURG  
 WÜRTEMBERGER HYF, STUTTGART  
 NÜRNBERGER HYF, NÜRNBERG  
 HYPOTHEKENBANK IN ESSEN AG, ESSEN  
 DEUTSCHE HYPOTHEKENBANK (ACT.-GES.), HANNOVER  
 BRAUNSCHWEIG-HANNOVERSCHE HYPOTHEKENBANK AG, HANNOVER  
 ALLGEMEINE HYPOTHEKENBANK AG, FRANKFURT  
 RHEINISCHEN HYPOTHEKENBANK AG, KÖLN  
 LOBECKER HYPOTHEKENBANK AG, LOBECK  
 NORDHYF BANK, HAMBURG  
 BFG-HYPOTHEKENBANK AG, FRANKFURT  
 WL-BANK, MÜNSTER  
 HYPOTHEKENBANK IN BERLIN AG, BERLIN











## SPORTS

## True to His Word, Fleury Scores 4 as Flames Scorch Sharks and Even Series

The Associated Press  
Backing up remarks that he would lead a Calgary comeback, Theoren Fleury scored four goals, two on breakaways, as the Flames beat the San Jose Sharks, 6-4, to even their National Hockey League Western Conference quarterfinal series at 2-2.

Calgary regained the home-ice advantage with the victory.

## NHL PLAYOFFS

Saturday, The best-of-seven series resumes Monday night.

"We didn't play very well in Calgary and we're going to have to play a lot better going home," Fleury said.

Calgary, the No. 2 seed in the West, has yet to lose in four games in San Jose this season.

the last two in the playoffs. However, seventh-seeded San Jose is 3-1 in Calgary.

"I think we played pretty good tonight, but Fleury hurt us," the Sharks' Jeff Friesen said. "He said things in the paper and he's backing it up."

Blues 5, Canucks 2: In Vancouver, the headstrong tactics of Coach Mike Keenan produced results as St. Louis tied the series 2-2.

After two straight losses, Keenan berated NHL officia-

ing and his own star players, and held private meetings with certain players between games, including left-winger Brendan Shanahan.

It worked. The Blues responded, especially Shanahan, who scored three goals in the second period on the way to tying the best-of-7 Western Conference series 2-2. Game 5 is set for Monday in St. Louis.

"We wanted to reinforce confidence levels," Keenan said. "They're proud people and they've played well all year. Our

consistency was there tonight."

Jeff Norton and Glenn Anderson scored the other St. Louis goals as the Blues tied 3-3 shots at the Vancouver goal-tender Kirk McLean before a sellout crowd of 16,150.

Vancouver got both goals against Curtis Joseph on special teams. Pavel Bure scored on the power play in the first and Russ Courtnall scored while the Canucks were shorthanded in the second. Joseph faced 26 shots.

Chicago 3, Toronto 1: Chicago evened its series with the

Maple Leafs 2-2 with a 3-1 victory in Toronto.

The Blackhawks got goals from Murphy, Murray Craven and Jeff Shantz. 31 saves from Ed Belfour and an outstanding effort from their penalty killers to win their second straight game at Maple Leaf Gardens.

Toronto won the first two games in Chicago, where Game 5 is to be played Monday night. The best-of-7 Western Conference quarterfinal series is now a best-of-3, and the Blackhawks have two at home.

"They outplayed us these two games in front of our home fans and it's disappointing," Toronto's Mats Sundin said. "They have been really emotional for us and, for sure, we haven't been able to capitalize. But we have to stay positive. We'll have an easy practice and then we're back at it in Chicago."

The Blackhawks are 2-1-0 in games where they led after two periods.

"We've been a good road team all season," said Belfour, sporting a bruise on the right

side of his face where he was banged by Toronto's Tie Domi early in the game. "We play good defense on the road and that's what it takes. When we're up after two periods, we work that much harder."

The Maple Leafs, who finished with a 3-2-30 shot advantage, were 0-for-7 on the power play, while the Blackhawks were 0-for-3.

Due to technical problems, reports on Friday's NHL playoff games were not available.

## SCOREBOARD

## Major League Standings

## AMERICAN LEAGUE

## East Division

Team	W	L	Pct.	GB
Boston	10	5	.667	0
New York	8	7	.538	2 1/2
Toronto	8	8	.500	2 1/2
Baltimore	6	9	.400	4
Oakland	7	8	.467	4 1/2
Chicago	6	9	.400	4
Minnesota	5	11	.313	5 1/2

## Central Division

Team	W	L	Pct.	GB
Cleveland	10	5	.667	0
Minnesota	10	5	.667	0
Chicago	8	7	.538	2 1/2
St. Louis	8	7	.538	2 1/2
San Diego	7	8	.467	3 1/2
Los Angeles	6	9	.400	4
Seattle	6	9	.400	4
California	6	9	.400	4
San Francisco	6	9	.400	4
Arizona	6	9	.400	4
Colorado	6	9	.400	4
Texas	6	9	.400	4

## West Division

Team	W	L	Pct.	GB
Seattle	10	5	.667	0
California	10	5	.667	0
San Francisco	8	7	.538	2 1/2
Arizona	8	7	.538	2 1/2
Colorado	7	8	.467	3 1/2
Los Angeles	6	9	.400	4
San Diego	6	9	.400	4
San Jose	6	9	.400	4
San Jose	6	9	.400	4
San Jose	6	9	.400	4

## NATIONAL LEAGUE

## East Division

Team	W	L	Pct.	GB
Philadelphia	12	4	.750	0
Montreal	10	6	.625	2 1/2
Atlanta	10	6	.625	2 1/2
New York	10	6	.625	2 1/2
Florida	10	6	.625	2 1/2

## Central Division

Team	W	L	Pct.	GB
Chicago	10	5	.667	0
St. Louis	10	5	.667	0
San Diego	8	7	.538	2 1/2
Los Angeles	8	7	.538	2 1/2
San Francisco	7	8	.467	3 1/2
Arizona	7	8	.467	3 1/2
Colorado	7	8	.467	3 1/2
San Jose	7	8	.467	3 1/2
San Jose	7	8	.467	3 1/2
San Jose	7	8	.467	3 1/2

## West Division

Team	W	L	Pct.	GB
San Diego	10	5	.667	0
Los Angeles	10	5	.667	0
San Francisco	8	7	.538	2 1/2
Arizona	8	7	.538	2 1/2
Colorado	7	8	.467	3 1/2
San Jose	7	8	.467	3 1/2
San Jose	7	8	.467	3 1/2
San Jose	7	8	.467	3 1/2
San Jose	7	8	.467	3 1/2

## Friday's Line Scores

## AMERICAN LEAGUE

Team	W	L	Pct.	GB
New York	10	5	.667	0
Boston	10	5	.667	0
Chicago	10	5	.667	0
St. Louis	10	5	.667	0
San Diego	10	5	.667	0
Los Angeles	10	5	.667	0
San Francisco	10	5	.667	0
Arizona	10	5	.667	0
Colorado	10	5	.667	0
San Jose	10	5	.667	0

## Saturday's Line Scores

## AMERICAN LEAGUE

Team	W	L	Pct.	GB
New York	10	5	.667	0
Boston	10	5	.667	0
Chicago	10	5	.667	0
St. Louis	10	5	.667	0
San Diego	10	5	.667	0
Los Angeles	10	5	.667	0
San Francisco	10	5	.667	0
Arizona	10	5	.667	0
Colorado	10	5	.667	0
San Jose	10	5	.667	0

## NATIONAL LEAGUE

## East Division

Team	W	L	Pct.	GB
Philadelphia	12	4	.750	0
Montreal	10	6	.625	2 1/2
Atlanta	10	6	.625	2 1/2
New York	10	6	.625	2 1/2
Florida	10	6	.625	2 1/2

## Central Division

Team	W	L	Pct.	GB
Chicago	10	5	.667	0
St. Louis	10	5	.667	0
San Diego	8	7	.538	2 1/2
Los Angeles	8	7	.538	2 1/2
San Francisco	7	8	.467	3 1/2
Arizona	7	8	.467	3 1/2
Colorado	7	8	.467	3 1/2
San Jose	7	8	.467	3 1/2
San Jose	7	8	.467	3 1/2

## West Division

Team	W	L	Pct.	GB
San Diego	10	5	.667	0
Los Angeles	10	5	.667	0
San Francisco	8	7	.538	2 1/2
Arizona	8	7	.538	2 1/2
Colorado	7	8	.467	3 1/2
San Jose	7	8	.467	3 1/2
San Jose	7	8	.467	3 1/2
San Jose	7	8	.467	3 1/2

## Japanese Leagues

## Control League

Team	W	L	Pct.	GB
Yokohama	10	5	.667	0
Hiroshima	10	5	.667	0
Yamaguchi	10	5	.667	0
Chunichi	10	5	.667	0
Hanjin	10	5	.667	0

## Saturday's Results

Team	W	L	Pct.	GB
Yokohama	10	5	.667	0
Hiroshima	10	5	.667	0
Yamaguchi	10	5	.667	0
Chunichi	10	5	.667	0
Hanjin	10	5	.667	0

## Sunday's Results

Team	W	L	Pct.	GB
Yokohama	10	5	.667	0
Hiroshima	10	5	.667	0
Yamaguchi	10	5	.667	0
Chunichi	10	5	.667	0
Hanjin	10	5	.667	0

## NBA Playoffs

## CONFERENCE SEMIFINALS

## FRIDAY'S GAMES

Team	W	L	Pct.	GB
Orlando	10	5	.667	0
Chicago	10	5	.667	0
San Antonio	10	5	.667	0
Phoenix	10	5	.667	0
San Antonio	10	5	.667	0

## Saturday's Games

Team	W	L	Pct.	GB
Orlando	10	5	.667	0
Chicago	10	5	.667	0
San Antonio	10	5	.667	0
Phoenix	10	5	.667	0
San Antonio	10	5	.667	0

## DUTCH FIRST DIVISION

Team	W	L	Pct.	GB
Roda JC Kerkrade	10	5	.667	0
Go Ahead Eagles	10	5	.667	0
Willem II Tilburg	10	5	.667	0
NAC Breda	10	5	.667	0
Alkmaar	10	5	.667	0
PSV Eindhoven	10	5	.667	0
FC Utrecht	10	5	.667	0
FC Twente	10	5	.667	0
FC Groningen	10	5	.667	0
FC Eindhoven	10	5	.667	0

## NAC Breda

Team	W	L	Pct.	GB
NAC Breda	10	5	.667	0
Alkmaar	10	5	.667	0
PSV Eindhoven	10	5	.667	0
FC Utrecht	10	5	.667	0
FC Twente	10	5	.667	0
FC Groningen	10	5	.667	0
FC Eindhoven	10	5	.667	0
FC Twente	10	5	.667	0
FC Groningen	10	5	.667	0

## FC Twente

Team	W	L	Pct.	GB
FC Twente	10	5	.667	0
FC Groningen	10	5	.667	0
FC Eindhoven	10	5	.667	0
FC Twente	10	5	.667	0
FC Groningen	10	5	.667	0
FC Eindhoven	10	5	.667	0
FC Twente	10	5	.667	0
FC Groningen	10	5	.667	0

## FC Groningen

Team	W	L	Pct.	GB
FC Groningen	10	5	.667	0
FC Eindhoven	10	5	.667	0
FC Twente	10	5	.667	0
FC Groningen	10	5	.667	0
FC Eindhoven	10	5	.667	0
FC Twente	10	5	.667	0
FC Groningen	10	5	.667	0
FC Eindhoven	10	5	.667	0

## FC Eindhoven

Team	W	L	Pct.	GB
FC Eindhoven	10	5	.667	0
FC Twente	10	5	.667	0
FC Groningen	10	5	.667	0
FC Eindhoven	10	5	.667	0
FC Twente	10	5	.667	0
FC Groningen	10	5	.667	0
FC Eindhoven	10	5	.667	0
FC Twente	10	5	.667	0

## FC Twente

11). Assassins—Phoenix 19 (Barkley, Johnson, King 4). Houston 25 (Drexler 8). Total four—Phoenix 22, Houston 22.



MONDAY, MAY 15, 1995

PAGE 17

## Schumacher Triumphs

### Regains Driver's Lead As Hill Fails in Last Lap

*Compiled by Our Staff From Dispatches*

BARCELONA — Michael Schumacher of Germany took the Formula One world championship lead Sunday after dominating the Spanish Grand Prix from start to finish.

Johnny Herbert made it a one-two for Benetton with Ferrari's Gerhard Berger third and Damon Hill finishing fourth in a Williams after stopping on the final lap and cruising across the line.

The victory, the 12th of Schumacher's career, lifted him to 24 points at the head of the drivers' championship, one clear of Hill.

Eddie Irvine in a Jordan-Peugeot was fifth, with Olivier Panis in a Ligier-Mugen sixth.

Schumacher was timed in 1 hour, 34 minutes, 20.507 seconds for the 65 laps of the 4.727-kilometer (2.937-mile) Circuit of Catalunya, northeast of Barcelona. The race's total distance is 307.255 kilometers (190.919 miles).

Schumacher, who started on the pole, led throughout a tough race of tactics and attrition to come home 52 seconds clear of Herbert, who reached the victory podium for the first time.

On the final lap, when he was in second place, Hill's hydraulic pump system failed, leaving him without a gear box and accelerator power, which forced him to coast for the final kilometer.

World champion Schumacher was in intimidating form in his Benetton-Renault, taking two pit stops but never relinquishing the lead to his strongest challengers, Jean Alesi of France in a Ferrari and Hill, winner of the last two Grand Prix.

Alesi was the early challenger but Schumacher was consistently faster over the early laps, gaining half a second per lap. Then disaster struck for Ferrari when Alesi's engine blew on lap 26.

For Schumacher and Herbert it was a triumphant day, the 26-year-old German and the Benetton team proving again that they have the ability to dominate a race. Schumacher had been disqualified and reinstated as the winner of the opening race of the season in Brazil, he finished third in Buenos Aires and then crashed out of the San Marino Prix two weeks ago.

"I showed our strategy of making only two stops was right compared to the other teams doing three, but it also shows how much our hard work has paid off," Schumacher said after his victory Sunday.

But it was a terrible day for Williams, which had won the Spanish Grand Prix for the past four years, with Hill taking the title last year.

Hill had a superb start, moving from third place behind Alesi from fifth place on grid.

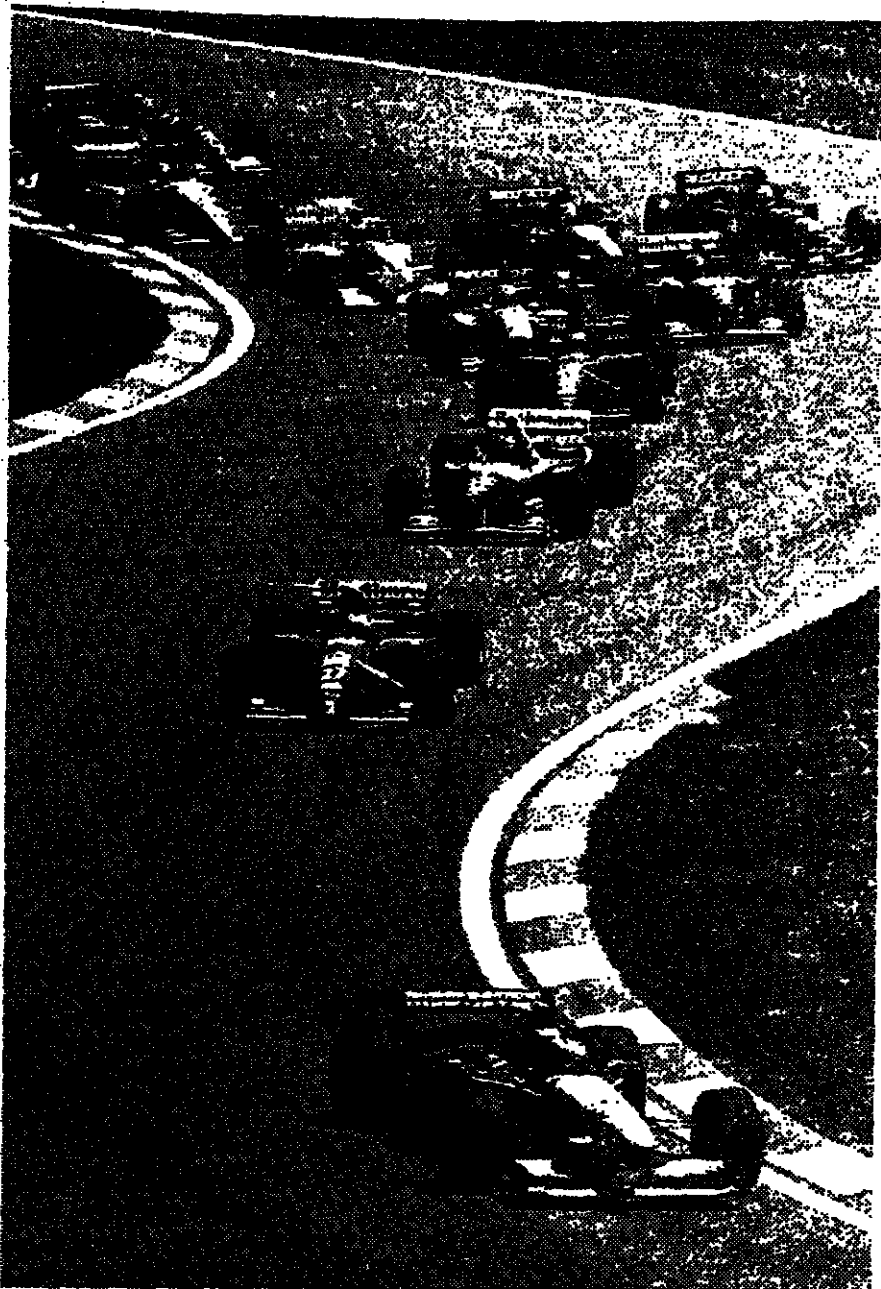
"On the last lap I went to pull for the sixth gear," Hill said. "It didn't happen and something went wrong."

His teammate, David Coulthard, was among the leaders until the 55th lap when a gearbox problem stopped him.

Both McLaren's, driven by veteran Nigel Mansell and Mika Hakkinen, were also among the casualties.

Mansell spun after having severe handling problems and he retired in the 20th lap without making any impact in the top 10. Hakkinen, who had climbed to fifth place at times, pulled up 12 laps from the end.

(AFP, Reuters, AP)



Michael Schumacher led the Spanish Grand Prix from start to finish Sunday.

## America's Cup Is New Zealand's

### Black Magic Makes It a 5-0 Rout of Conner's Young America

*By Angus Phillips  
Washington Post Service*

SAN DIEGO — They're calling it the slaughter on the water. Team New Zealand polished off a four-month sailing masterpiece Saturday to win the America's Cup, seizing the oldest trophy in modern sport for their island nation of 3½ million with a final thrashing of Dennis Conner.

When it was done, Black Magic and the men who sailed the boat almost flawlessly slid up to San Diego Yacht Club in a hail of champagne, flowers and waving flags to take the silver ewer that has excited sailors' passions for a century and a half.

Their 1-minute, 50-second victory had given them a 5-0 sweep in this 29th Cup defense.

"It's New Zealand's proudest day since Everest," said the country's governor-general, Dame Catherine Tizard, citing Sir Edmund Hillary's conquest of the world's highest peak nearly 40 years ago.

"We just won the America's Cup and it's only the second time it's ever left America," said the skipper and syndicate chief Peter Blake. "I think that's pretty damned good."

The victory capped an emotional and exhausting series. Conner wiped away tears in the morning as his boat, Young America left the dock with a trumpet soloist playing "The Star Spangled Banner." Spectators lined the quay to cheer.

But the New Zealanders stuck to business as usual, heading to sea with chiseled faces as they restrained emotions fired by eight years of frustration, during which they came close four times but never won the Cup.

Five hours later, as they crossed the finish, that resolve erupted into cheers as their thousands of followers, who had been pouring in during the series, began to celebrate the greatest international sailing triumph of a great sailing nation.

The only time before that a challenger swept a Cup match was in 1987, when Conner won 4-0, in wild winds off Fremantle, Australia. But never has a drubbing been so thorough. Conner's average winning margin then was 1 minute, 39 seconds. Team New Zealand won here by an average of almost three minutes a race.

That's how vastly superior Black Magic proved to be against all rivals as it swept to a 41-1 record in four months of racing.

The sea-kindly shape of the jet black race boat, coupled with superb sails and a nearly flawless sailing team under the Olympic gold medalist and world match-race champion Russell Coutts, left one rival after another wallowing in their wake. Only one Australia boat, the New Zealanders all year, and then only by seconds in one race of the challenger finals last month.

Only twice before since 1851 has a challenger won the Cup, which was controlled for 132 years by the New York Yacht Club. The first upset was in 1983, when Australia II beat Conner's Freedom, 4-3; the other was Conner's 4-0 revenge over Kookaburra off West Australia.

Conner, 52, thus is the first

American to lose the Cup, first to win it back and now the first to lose it again. He is the only U.S. loser in the Cup's long history and the indignity heightened in the last race when, with the boats still close, the foresail on his borrowed yacht Young America crashed to the deck and he had to run forward and grind a replacement up like a lowly foredeck hand.

Conner had had the helm since joining the Cup in 1974. This year he relinquished it to four-time Cup veteran Paul Cayard, who engineered a wild comeback in the last race of the three-way defender finals to advance to the Cup match, but did not win again.

Still, Saturday's race was closer than any other in this lopsided series as stronger breezes up to 13 knots neutralized some of Black Magic's speed edge.

Cayard was only a boat-length behind the first time the boats crossed and three back the next time. He stayed within striking range at the first turning mark, 21 seconds behind, and at the second mark, just 32 seconds back.

But a third of the way up the third leg, banging into six-foot seas in a moderating breeze of about 9 knots, the line holding the headsail snapped with a bang and the sail tumbled to the deck, leaving U.S. hopes in a jumble of tangled rope as Black Magic stretched its lead to 59 seconds.

"All you can do is your best," said Conner. "We can walk away with our heads high. If someone had to win, New Zealand is the country everyone would have wanted."

His crew hoped to delay at least for a day the celebrations that began with delivery of the Cup, but the headsail failure left Cayard in a familiar place, staring at the fleeing transom of his slender black rival.

"To sweep Dennis Conner," said crewman Simon Daubney, with a wide grin, "it's unbelievable."

What next for the Cup? Most observers reckon the future is bright in Auckland, where winds are stronger than San Diego's and where practically everyone sails. Auckland is called "City of Sails" and New Zealand is the nation that produces more world-class racers per capita than any other.

Syndicate chief Blake, 46, who grinds a winch on the race boat, is the most experienced offshore sailor in the world, with two global sailing trophies to his credit and now the America's Cup.

New Zealanders say the shaggy-haired Blake is a shoe-in for a knighthood. He's vowed to restore the waning luster of the trophy that in the past lured the likes of Harold S. Vanderbilt, Sir Thomas Lipton, T.O.M. Sopwith, Baron Marcel Bich and Ted Turner.

Team New Zealand plans to accept the New York Yacht Club as challenger of record for the next regatta, which will be held in Auckland's Hauraki Gulf in 1999-2000 or 1998-'99. It will mark the first appearance of the venerable New York club in the event since 1987, when Conner brought the trophy here and New York dropped out.

A dozen or more challengers, emboldened by New Zealand's triumph, are expected to try to take the Cup away the next time. And why not?

"If New Zealand can win it," said Blake, "anybody can."

## LPGA Embroiled In Controversy

*Compiled by Our Staff From Dispatches*

WILMINGTON, Delaware — The Ladies Professional Golf Association was standing by its players, CBS was standing by its man and The News Journal of Wilmington was standing by its reporter as the controversy continued over the newspaper's story in which CBS's senior golf analyst, Ben Wright, was quoted as saying that "lesbians in the sport hurt women's golf."

The LPGA McDonald's Championship is one of the majors on the women's tour, but the golf had been overshadowed since the article by reporter Valerie Helmsbreck appeared.

Wright, 62, has been a golf analyst for CBS Sports for 23 years. During Saturday's broadcast, after he had been summoned to New York to meet with network executives, he read a statement in which he said that "much has been said and written about disparaging comments attributed to me which are not only totally inaccurate but extremely distasteful."

The defending champion, Laura Davies, reportedly described by British compatriot Wright as being "built like a tank," said that "it's a load of rubbish if he said it or didn't say it."

But, she added, "I can't believe someone of his stature said that." The LPGA's commissioner, Charles S. McEachen, said that "I've known Ben Wright for a long time and I have never had any doubt of either his integrity or commitment to women's golf."

"Obviously if he made the remarks attributed to him, it's inappropriate for him to be covering an LPGA event. If he did not make the alleged remarks — as he maintains — it would be terribly unfair and premature judgment for us to insist he be replaced."

McEachen, who was in San Francisco for the birth of his granddaughter as the controversy began, spoke at a news conference that had to be relocated to a bigger room to accommodate the additional media.

"It is an absurd and ugly charge that lesbianism is stunting the growth of the LPGA tour," McEachen said. "Talented and hard-working women should be judged only by that standard. The only measure that makes any sense is their performance, is their talent, is what they accomplish on that golf course. You don't measure a professional business woman by some standard other than what she accomplishes in the business world. Why should our players be any different?"

In a signed letter that Wright had posted in the players' locker room, he denied making the state-



Ben Wright: "A pack of lies and distortion."

ments, including one that said, "Women are handicapped by having boobs. It's not easy for them to keep the left arm straight, and that's one of the tenets of the game. Their boobs get in the way."

On the issue of lesbianism on the women's tour, he was quoted as saying, "Let's face some facts here. Lesbians in the sport hurt women's golf. When it gets to the corporate level, that's not going to fly. They're going to a butch game and that furthers the bad image of the game."

In his letter, addressed to all LPGA players, Wright called the quotes "a pack of lies and distortion."

"I have been a supporter and friend of women's golf more than 40 years as a writer and a broadcaster," he added.

John N. Walston, executive editor of The News Journal, said: "Mr. Wright agreed to an interview. Mr. Wright's comments regarding lesbianism and the LPGA and his comments regarding individual players were unsolicited. We stand by the accuracy of our story."

The assistant managing editor, Jerry Buckley, said Helmsbreck was a 10-year employee of the paper assigned to the features department, and had been assigned a story about television coverage of the event.

"Part of her line of inquiry was comparing the TV coverage of men's and women's golf," he said.

(NYT, WP, AP)

## SIDELINES

### O'Malley Wins Benson and Hedges

ST. MELLION, England (Reuters) — Peter O'Malley of Australia, despite a 1-over-par 73 for the final round, won the Benson and Hedges International Open by one stroke Sunday.

O'Malley, two shots clear entering the last round, could afford the luxury of a bogey 5 on the final hole because Costantino Rocca of Italy missed a four-foot putt for par minutes earlier on 18. Rocca, who shot 72, and Mark James of Britain, who also bogeyed 18 for 71, tied for second. Carl Mason of Britain, who carded 73 a day after his course record 63, was in a four-way tie for fourth.

Ernie Els, following up a 61 with a 5-under-par 65, took a three-shot lead over non-winner Robin Freeman into Sunday's final round of the GTE-Byron Nelson Classic in Irving, Texas.

### Sánchez Vicario Will Be No. 1 Again

ROME (AP) — Conchita Martínez overwhelmed Spanish rival Arantxa Sánchez Vicario, 6-3, 6-1, on Sunday to win her third consecutive Italian Open title and establish herself as a favorite for the French Open in two weeks.

But the WTA said that Sánchez Vicario will still regain the No. 1 spot in women's tennis from Steffi Graf when the new computer rankings come out Monday.

Graf has been forced to pull out of this week's German Open because of flu. She has been confined to bed and told not to train for a week, organizers said Sunday.

### Lewis and Bruno Win by Knockouts

SACRAMENTO, California (AP) — Lennox Lewis stopped a sluggish Lionel Butler with five seconds left in the fifth round Saturday night as the British heavyweight made a successful return to the ring after losing the WBC heavyweight title to Oliver McColl.

In the co-featured bout, Michael Moorer kept alive his hopes for a rematch with heavyweight champion George Foreman by pounding out a unanimous decision against a game but outclassed Melvin Foster.

British heavyweight Frank Bruno moved closer to his fourth shot at a world title with a second-round knockout of American Mike Evans in Glasgow.

### For the Record

Greece's basketball championship game Sunday between Olympiakos and was postponed following the fatal stabbing of a Panathinaikos fan after the teams' game on Friday. (Reuters)

### Agassi Faces Fine For Cutting Retort Made in Hamburg

*Reuters*

HAMBURG — Andre Agassi faces a fine for unsportsmanlike conduct after allegedly making a distasteful reference to a knife on the court where Monica Seles was stabbed two years ago.

As he was picking up his bag to leave the court after losing to Sergi Breguera in the quarterfinals Friday at the German Open, Agassi had an angry exchange with a spectator in which a video tape appeared to catch Agassi saying, "Are you gonna get a knife and chase me now?"

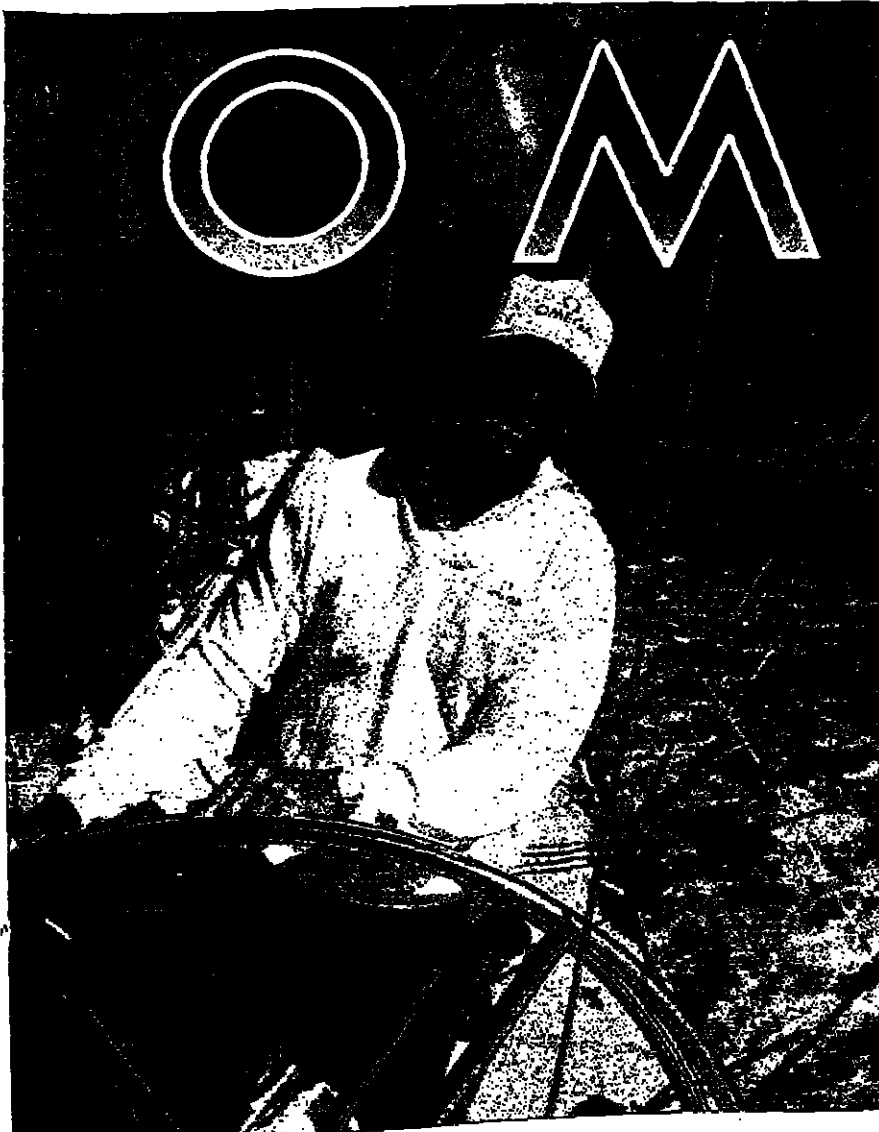
Tom Barnes, the tour's supervisor, said Sunday that he had studied the tape and sent it and a report to David Cooper, the New York-based administrator of regulations. He will decide whether to take any action.

Andrei Medvedev beat Goran Ivanisevic, 6-3, 6-2, 6-1, Sunday for his second straight German Open title. In the semifinals, Medvedev had ousted Pete Sampras, whom Agassi replaced as No. 1, 6-4, 2-6, 6-4.

Courtside photographers said Agassi got involved in the argument when a spectator shouted: "What a waste of money."

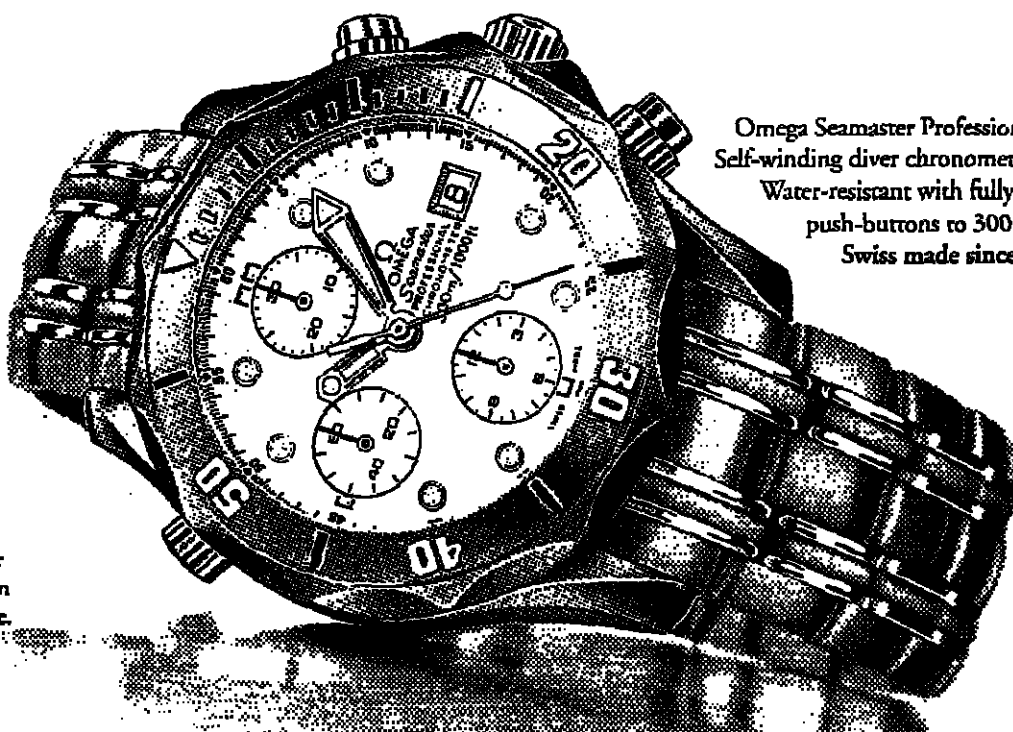
The video shows Agassi apparently arguing with a grey-haired, middle-aged man. He appears to make the comments about the knife when the man picks up his carrier bag.

The man who stabbed Seles sneaked his knife into the Hamburg complex in a plastic bag.



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## ***Political Figures of Speech***

European countries, "World Connect" calls can only be placed in the U.S., etc.

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